

The NATIONAL UNDERWRITER

Life Insurance Edition

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AGAIN AN INCREASE

For the seventh consecutive month our insurance in force has increased—the total now exceeding two and a quarter million—which means the boys are making money.

Reasons—

- § A Liberal General Agency Contract—
- § A Financing Plan for the Agency—
- § A Plan for Financing your men—
- § Unique Sales Helps—
- § A Policy for every purpose—
juvenile, women, group, wholesale, etc.
- § A Tested Organized Selling Plan
- § A detailed plan for finding—training men
- § A unique supervisory system
- § Accounting methods for your office that tell you just
where you're heading
- § An understanding, cooperative, sympathetic Home Office
- § An old, substantial, Mutual Company—over 50 years—
Not too big to know you—
Big enough to command respect anywhere

Interested?

Then ask for our FACTS booklet!

Harold J. Cummings, Vice President

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

FRIDAY, SEPTEMBER 6, 1935



When the Girl He Left Behind Him Is Waiting for Him to Make Good

That's when a young man realizes the value of a college education. The pathos of penniless youth is pathetic. In this highly competitive and specialized age the young man without a college education has only an outside chance of reaching the higher income class.

Here are the statistics of the United States Bureau of Education:

An uneducated man will earn, from age 18 to 65, \$45,000; a woman will earn less.

A High School Graduate will earn, from age 18 to 65; \$78,000 or \$33,000 more than the uneducated man or woman.

A College graduate will earn, from age 22 to 60 (in less time) \$150,000, or \$72,000 more than earned by the High School graduate, and \$105,000 more than the amount earned by the uneducated.

Educational endowments issued on children at the younger ages assure ample funds, when needed, for college expenses.

The forward-looking father can GUARANTEE his children a college education by means of Educational Endowments. He can also have the assurance that the money will be available even though he doesn't live to see his boy or girl attain college age.

The Western and Southern Life Insurance Company
CHARLES F. WILLIAMS, President CINCINNATI

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Thirty-Ninth Year—No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 6, 1935

\$3.00 Per Year, 15 Cents a Copy

Tax Burden Will Cause Hardship

Col. C. B. Robbins Gives Views on Effect of Huge Federal Expenditures

OUTLINES SECURITY PLAN

E. B. Thurman, Chicago General Agent New England Mutual, Spoke Before National Guardian Meeting

Col. C. B. Robbins of Chicago, manager of the American Life Convention, in his talk before the agency meeting of the National Guardian Life of Madison, Wis., in Chicago, gave some facts regarding the effect of taxes due to the federal social security act. Colonel Robbins declared that the people are confronted with constantly increasing taxes. He gave it as his opinion that charity should be the responsibility of a community or state rather than the federal government. In his opinion the security act will be amended or repealed during the next six years. He stated that the tax may be so heavy that eventually it will defeat its own end.

Provide for Old Age Pensions

He said that it will have to be decided whether agents are independent contractors or whether they are paid employees. Companies will be taxed eventually 3 percent to create the old age pension fund. The employees will be taxed 1 percent for the three years ending in 1939 and will be increased 1/2 percent until 1949, in which year and thereafter the rate will be 3 percent. Only the first \$3,000 of an employee's wage is subjected to tax in any one year. Employers must pay 1 percent starting in 1937 and graduating upwards for three year periods up to a rate of 3 percent for 1949 and thereafter. The employer is given the responsibility of deducting the tax payable by the employee from the wages paid and he must report and pay this tax to the federal government.

Unemployment Insurance

A further annual excise tax is imposed on an employer who employs eight or more people, for unemployment insurance. This becomes effective Jan. 1 next and levies a tax of 1 percent of the total wages paid during that year, 2 percent in 1937, and 3 percent thereafter.

Colonel Robbins said that the best available estimates indicate that the three-fold tax based on business and industry will produce \$2,700,000,000 a year, which approximates the total amount of internal revenue receipts for the present fiscal year. He said that the estimated number of employees to be covered for old age benefit at the outset was placed at 25,200,000, while the number of employees covered for unemployment compensation will approximate 22,600,000.

(CONTINUED ON LAST PAGE)

Program for A. L. C. General Session in Chicago Is Given

NOTED OFFICIALS TO SPEAK

Presidents Linton, Hall, Clabaugh and Wills to Talk; Schriver, Davis and Others

Tentative program for the general sessions of the American Life Convention annual meeting in Chicago, Oct. 7-11, is announced by Col. C. B. Robbins, manager and general counsel. Leading company officials will discuss important factors in life company management.

President H. K. Lindsley of the convention, president Farmers & Bankers Life, Wichita, will preside. The general session will start at 10 a. m., Oct. 9 in the Edgewater Beach Hotel, convention headquarters, when President Lindsley will deliver his annual address. Colonel Robbins will make his annual report.

Greetings will be extended by representatives of the Association of Life Insurance Presidents, Chamber of Commerce of the United States, National Convention of Insurance Commissioners, National Association of Life Underwriters, Canadian Life Insurance Officers Association and National Fraternal Congress. President M. Albert Linton of the Provident Mutual Life, Philadelphia, able executive and noted actuary, will discuss "The Federal Old Age Security Program." The first morning's program will be closed with an address by Arthur Coburn, vice-president Southwestern Life of Dallas, on "The Sales Side of Life Insurance."

The afternoon session will be started with a paper by Paul Bestor, assistant secretary Prudential, on "The Financing of Agriculture," and W. R. Wills, president National Life & Accident, will speak on "Modern Insurance Trends."

Discuss Interest Rate

One of the dominant questions of the day in life insurance, "The Readjustment of Life Insurance to Declining Interest Rate," will be treated by V. R. Smith, general manager and actuary Confederation Life, Toronto, Ont., at the Thursday morning session, Oct. 10. A. F. Hall, president Lincoln National Life, will speak on "The Development of the Official Staff of a Life Insurance Company."

The joint meeting of the Agency Section and general session in the past has been very interesting. This will be held Friday, Oct. 11, with S. T. Whatley, vice-president Aetna Life, as chairman. The session will start at 10 a. m., with the theme, "Building and Sustaining Agency Morale." F. H. Davis, vice-president Penn Mutual Life, an outstanding agency official and a speaker of great power, will present "The Chief Agency Officer's Viewpoint."

L. O. Schriver, Peoria, Ill., general agent Aetna Life, vice-president and nominee for president of the National Association of Life Underwriters, will give the viewpoint of the field man on this important question. The executive's viewpoint of this subject will be handled by S. F. Clabaugh, president Protective Life of Birmingham.

An executive session of the convention, at which a large number of past

Bankers Turn to Insurance for Old Age Pension Plan

GROUP CONTRACT IN OREGON

Special Provision Made for Coordinating with Social Security Law in Association Policy

The Aetna Life through Marsh & McLennan, as brokers, has completed a retirement group pension policy with the Oregon Bankers Association which, through a master policy issued to the association, makes its benefits available to the 112 member banks of the state. The policy as issued is of particular interest because, according to officials, it is the first contract of its kind to be issued to a bankers association, although the matter has been up for discussion on numerous occasions by the American Bankers Association. The plan is on a contributory basis and provides the future service monthly pension for each employee will be equal to 1 1/2 percent of his average monthly salary between the time he enters the plan and normal retirement date, multiplied by the number of years of membership in the plan. It is estimated that if the 112 member banks take advantage of the provisions of the policy, annual premiums will run between \$85,000 and \$90,000 per year.

The policy carries a modification clause providing that if and when the social security bill becomes operative, the plan will be modified and as the social security becomes effective and the tax increases, the contributions toward the Aetna's plan decrease so that the policy just written will eventually become supplementary to the social security provisions.

presidents is expected to be present, will start at 2 p. m., in the hotel ballroom. Reports of committees will be submitted, general business transacted, and officers of the convention for the new year elected. The annual dinner this year is to be held Wednesday evening, Oct. 9.

Mail Subscription Card Now to Get Free Dailies

All eyes in the life insurance business will be on Des Moines Sept. 16-20. Following its usual custom The National Underwriter will issue special dailies covering the addresses, sales talks and highlights of the meeting. Copies of these three dailies will be sent free to all subscribers. Non-subscribers who wish to get copies are urged to fill in one of the enclosed subscription cards and mail it today. Managers and general agents should see that their men all receive copies of these dailies by urging them to send in subscriptions right away. If you are already a subscriber, please hand the enclosed subscription cards to your friends and tell them about the free dailies.

Interest Factor Is Dominant Question

Strong Undercurrent in Pittsburgh Annual Meeting of National Fraternal Congress

IS PERPLEXING PROBLEM

Change to Full-Time Manager Basis for Headquarters Voted—Tax Issue Is Faced

One of the most pressing problems facing fraternal societies, what decision to make in regard to the interest factor employed in calculating reserves, was conspicuous by its absence from the program at the annual meeting of the National Fraternal Congress in Pittsburgh last week. It is reported that approximately 20 societies have reduced the interest guarantee, many to 3 1/2 percent, and some even to 3 percent in line with action taken by a number of old line legal reserve companies some time ago. Yet the interest factor was not discussed in the general sessions, nor even in the annual meeting of the Fraternal Actuarial Association.

This was not because society heads are unaware the question is a vital one, for it is well known that many societies are not now earning their interest guarantees net. Most of the N. F. C. societies are on the American Experience 4 percent reserve basis, although some are on 4 percent American Men table.

Constitutions Restrictive

One of the principal difficulties in the fraternal's investment system, a prominent fraternal actuary states, is the inflexibility of their constitutions, which in many societies require investment only in conservative bonds. The result is low yield. While for many years during the era of prosperity in this country the large proportion of municipal bonds held by the societies brought in a handsome return, defaults in many states have brought lower net yield. The bond information and service committee of the N. F. C. reported at Pittsburgh that 80 percent of the societies' investments consist of municipal bonds in some form or another. A tabulation as of Aug. 1 showed total defaults 3,252 involving 1,373 taxing units.

Hesitate to Raise Rates

Fraternal are suffering from lack of spread and diversification of investment, the actuary mentioned above admitted. This cardinal principle in life insurance underwriting is not generally applied in the investments of fraternal.

The society heads ignored the interest issue, it was stated, because they hesitate to chance public misunderstanding and criticism by a change of reserve basis, with consequent readjustment of rates. The change of fraternal societies

(CONTINUED ON PAGE 20)

President Ball on Financial Setup of a Company

President D. E. Ball of the Columbus Mutual Life in an address before the agents of his company paid considerable attention to the few life insurance failures which disclosed weaknesses in the companies involved and aroused curiosity and some concern with reference to all others. Mr. Ball said that unfortunately agents of companies in certain sections used these failures to discredit companies coming from the same general geographical regions. The critical agents called attention to the investment laws in their states and yet President Ball said that the investment statutes of Ohio for example are more stringent than those of almost any other state.

Integrity of Management Paramount

As a matter of fact, Mr. Ball said, while restrictions on investments are a safeguard and are right, no life company can be legislated safe. Gross mismanagement such as has been disclosed in every company which has failed would wreck a company regardless of the state in which it happens to be located. Integrity of management, he holds, is the greatest safeguard of the solvency of any company. Intelligence and strictness of supervision is the second greatest safeguard. The influence of politics and the lack of permanency in tenure of office of supervising officials do not tend toward competent supervision.

Strength of the Mutuals

President Ball referred to the statement that has frequently been made to the effect that no mutual company has failed. He said that this has been used by agents of mutual companies to reflect on the safety of those which have capital stock. Mr. Ball contended, however, that capital stock is an added safeguard. The superiority of mutuals, he said, with respect to safety arises not from the absence of capital stock but from the fact that the mutual companies all write participating business and therefore have greater recuperative power than companies which write all non-participating, due to their ability to

reduce dividends and thereby strengthen the companies, increase surplus and make good investment losses by adding slightly to the cost of insurance to policyholders for a short time without any great loss to anyone. Some companies like the Columbus Mutual write both classes of business.

Greatest Danger in a Mutual

President Ball said that what is the greatest source of danger in the democratic government is the lack of interest of the voters which permits professional politicians to obtain control, so the greatest danger of the mutual company, in his opinion, arises from the lack of interest of the policyholders in the management, which results in a lack of accountability. The greatest source of danger in a stock company, on the other hand, he said, rests in the fact that the stockholders may be too greedy for dividends and run the company to their profit without proper regard for the welfare of the policyholders. The Columbus Mutual, he pointed out, limits its dividends to 10 percent. Another danger, he said, may arise from one man owning more than 50 percent of the stock, thus dominating the whole institution.

Analysis of a Statement

In speaking of the efforts of agents to analyze financial statements of companies, he said without detailed knowledge of a company's individual investments and of its method of keeping accounts and whether or not its valuations are conservative, and many other things not shown in the complete annual statement, it is impossible to interpret the condensed statement shown in any statistical publication with any degree of assurance.

Some critics will object to a company having too large a proportion of its assets in mortgages. That might be impossible to prove. Mr. Ball said it is purely a matter of opinion. He asked the question whether the proportion in many cases isn't determined by the amount of money a company has to invest and its geographical location than

by deliberate choice. Mortgage loans yield a higher return than most other forms of investment but the amount of detail involved in making and handling a large volume of small investments of this character is enormous compared to an investment in a large block of bonds.

It is difficult, Mr. Ball said, to find suitable mortgages. The Columbus Mutual, he acknowledged, would like to make more mortgage loans but cannot find them. Mortgages, he contended, from the standpoint of security, yield and control are a prime investment.

Some critics say that bonds held by some companies do not yield as high a return as they should. The bond investor, Mr. Ball said, is confronted with not two but four horns of a dilemma. He may buy high grade bonds with a low yield or he may buy second or third grade bonds with a correspondingly higher yield. He can buy short term bonds with a lower yield or long term bonds with a higher yield. If one is investing in bonds for liquidity he wants high grade and short term bonds, both of which tend toward a lower yield. High grade short securities fluctuate least and therefore can be sold with a minimum loss. President Ball said it is quite generally thought that bonds

now are selling too high and that the return of prosperity with a normal demand for money will result in higher interest rates and a declining bond market with long term issues the greatest sufferers.

Then companies have been forced to foreclose mortgages and they have in their hands considerable real estate. Mr. Ball said there is little chance of loss where mortgages were originally limited to 50 percent of the value. The Columbus Mutual, he explained, does not carry its real estate at inflated values. Real estate offers, he said, about the only opportunity a life company has to actually make money on its investments through the return of prosperity, credit inflation, business expansion or whatever one may call recovery from depression. With improved conditions, he added, it is not unreasonable to anticipate rather a large profit on real estate when it is finally disposed of.

Companies have been spending considerable money on properties they have had to foreclose to get them in better shape to rent or sell. Most companies take no credit for repairs as increasing the value of the property but write them off as a disbursement or expense which makes for great conservatism.

Ohio Commissioner Gives His Support to Expert Raters

Insurance Superintendent Robert L. Bowen of Ohio in commenting on the question of independent rating of insurance companies says in a letter to THE NATIONAL UNDERWRITER:

"I would like to make one or two observations while the matter is fresh in mind. One of the commissioners made the statement that the commissioners had all the information about their companies and, therefore, were in a better position to judge a company than any rating bureau. I disagree with him because, in my opinion, no commissioner has the time, nor does the average appropriation of the various insurance departments permit him, to hire specialists and experts to render the same sort of service that can be rendered by men who devote their entire time and attention to analyzing the factors which go to make up a sound insurance company.

"Dun & Bradstreet have rendered unusual service and certainly no business man or banker would depend upon anybody in his own organization rendering the service which these outstanding companies render. It should also be remembered that very few, if any, life companies depend upon their own personnel for reports of those who apply for insurance, but, rather, upon the expert organization with headquarters in Atlanta, Ga. For years Moody's and other similar services have rated by the A, B, C method, securities of all kinds. The insurance-buying public as well as the investing-public is entitled to all the information that may be obtained, in my judgment.

"It should also be remembered that there are many new insurance commissioners who, no matter how capable

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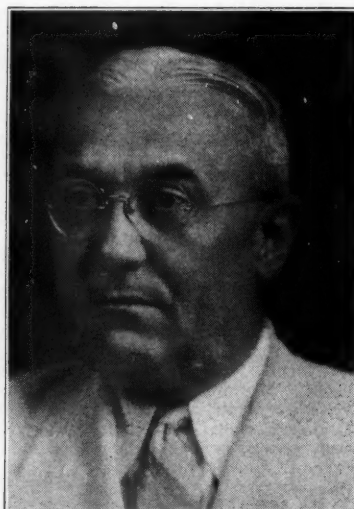
DES MOINES LEADERS ARE BUSY COMPLETING PLANS



MARTIN SELTZER



A. H. PICKFORD



E. R. GRAY



CHARLES E. BROWN

Among the leaders in Des Moines who are busy these days completing arrangements for the convention of the National Association of Life Underwriters in their city the week of Sept. 17 are:

Martin Seltzer, general agent Aetna Life, past president Des Moines association, national committeeman of that association, and chairman of the convention attendance committee.

A. H. Pickford, general agent Provi-

dent Mutual, past president Des Moines association, and chairman general agents and managers convention committee.

E. R. Gray, Prudential, past president Des Moines association, trustee National association, chairman convention pub-

licity committee and member program committee.

Charles E. Brown, manager Mutual Life of New York, president Des Moines association. He will be official host of the convention.

Libel Suit Filed by A. M. Best Co.

Seek \$200,000 Damages from "Insurance Index" and J. E. Dunne

BASIS OF ACTION GIVEN

Some of the Sidelights on the Fight Going on Over Rating Insurance Companies

Added fuel to the fiercely burning subject of insurance company ratings was heaped on the fire when an action for libel, in which damages of \$200,000 were sought, was filed in the superior court at Chicago by the Alfred M. Best Company against the Index Publishing Company, James E. Dunne, head of that concern, his son, C. D. Dunne, and Eber S. Lusk, formerly managing editor of the "Insurance Index."

A few weeks ago A. M. Best Co. brought an action in the federal court at Chicago, charging the Dunnes and the "Index" with infringement of copyright in the publication of Dunne's "International Insurance Report." Subsequently attorneys for Best in this suit filed a bill of particulars, covering several hundred pages and signed a stipulation giving the defendants until Sept. 18 to answer.

Although the "Index" and the Dunnes have been paying their respects to the A. M. Best organization for about three years in the monthly magazine, "Insurance Index," the cartoon and article in the October, 1934, edition of the "Insurance Index," form the basis for the allegations in the libel suit. That edition attracted more than usual attention, because it was distributed to those attending the annual meeting of the American Life Convention in October last year.

Cartoon Was Striking

The cartoon was striking and caused much comment at the time. It apparently was the culmination of increasingly savage attacks that the "Index" had been making on Mr. Best and some of his associates. The Best organization had taken no cognizance of this verbal assault and this perhaps emboldened the "Index" folks to open the throttle still further. The "Index" containing the cartoon was circulated freely among those attending the American Life Convention. Mr. Best, his home office attorney and others of his entourage were at the hotel. When no action was filed, Publisher Dunne in his April edition took another hot shot at Mr. Best and challenged him to bring a libel suit. In personal statements he stated Mr. Best did not dare bring such a suit and open the way to turn the light on his transactions. The Best Co. attorney did issue a warning to companies and agents that any circulation of the alleged defamatory literature coming from the "Index" factory would be used as a basis for damage suits. In the conference with the special committee of the American Life Convention, Mr. Best accused some of the members of aiding and abetting Publisher Dunne in his blasts at the Best stronghold. Not until the \$200,000 damage suit was filed early in July, however, was there any material evidence that the Best Co. intended to shell the Dunne ramparts.

Shortly after the insurance commissioners' special train left Chicago for Seattle a porter handed to every one aboard an improvised sheet gotten up for the special occasion called "Underworld" (CONTINUED ON PAGE 21)

Charles Smrha Chosen to Head Nebraska Department

TO SUCCEED CONN W. MOOSE

New Appointee Has Been State Manager of HOLC and Has Had No Previous Insurance Experience

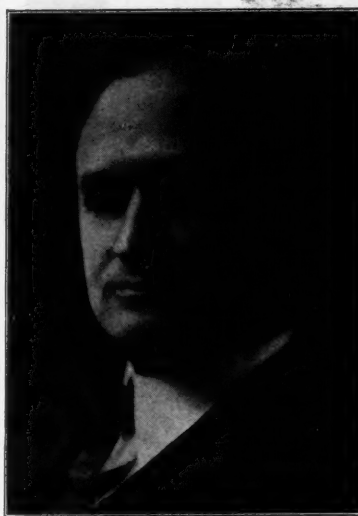
LINCOLN NEB., Sept. 5.—Governor Cochran has announced the appointment of Charles Smrha of Milligan as director of insurance for Nebraska John S. Logan, who has been serving in this position following the governor's removal of Conn W. Moose, will remain as attorney for the department.

Mr. Moose was removed as insurance director a month ago for alleged inattention to business and for lobbying activities contrary to orders. He contended that his removal was illegal but has not yet filed suit to test the validity of the governor's action. He denied all the charges and alleged his investigation of insurance companies resulted in stepping on the toes of some friends of the state administration, who threatened to "frame" him. This was also denied by the governor.

Statement by Governor

Mr. Smrha, who takes charge of the department immediately, has resigned as state manager of the HOLC, where he has been for the last year. Before that he was engaged in the banking business at Milligan and was a Democratic member of the state senate in 1923 and 1927. He has never had any insurance experience. In making the appointment Governor Cochran said: "I feel Mr. Smrha's administration will be better than could be obtained under the administration of a man recommended by the insurance companies. The insurance companies are the ones we are trying to govern. They should

At the Meeting



O. J. LACY

O. J. Lacy, president of the California-Western States Life of Sacramento, headed the home office delegation to the meeting of the agency club held at Victoria, B. C. President Lacy has done a fine piece of work since he became connected with the company and is held in the highest regard by the agency force.

not dictate the administration of the office."

Expect 200 to Attend

About 200 are expected to attend the Union Central \$500,000 Club meeting at White Sulphur Springs, W. Va., Sept. 16-18.

Sullivan Outlines Supervisors' Duties

President of Commissioners Convention Addresses Canadian Superintendents' Meeting

FOSTER MAKES REPORT

Dugal of Quebec Finds Need to Solve Problem of Agency Turnover, Other Speakers

WINNIPEG, MAN., Sept. 5.—There must be no faltering by insurance commissioners in carrying out the insurance law provisions which legislatures have set forth for the guidance of insurance companies, Commissioner W. A. Sullivan of Washington, president National Convention of Insurance Commissioners, stated in his address on "The Responsibility and Importance of Insurance Supervision" at the annual meeting of the Association of Superintendents of Insurance of the Provinces of Canada in Winnipeg this week. It would be sad for the public if commissioners were to adopt a method of interpretation and application of insurance statutes so as to bring about disregard of statutory law, he said. These officials require firmness, understanding, balance and poise.

On the other hand, it would be disastrous if they were to adopt a policy so technical and narrow as to discourage growth and development of the business and put in place of the life and spirit of the statutes a dead and technical construction which might destroy initiative of those engaged in the insurance business.

Law, Not Opinions

Commissioners should be careful, he cautioned, not to substitute their respective judgments, not to say arbitrary opinions, for the legal rights of the company under its contract. Yet they should be zealous in guarding the public, which relies largely on the fact that companies are authorized to do business and therefore must have the seal of approval of insurance departments before they can operate. The commissioners must see that the public is fairly dealt with by companies in meeting contractual obligations toward beneficiaries and policyholders.

The commissioners should be concerned not only in fulfilling the immediate duties of their office but with the broader social implications of insurance and its usefulness to the public. They should be interested in further building and strengthening the great reserve of public confidence in the principles of insurance and its honorable administration.

Superintendent Dugal Speaks

R. Leighton Foster, insurance superintendent of Ontario and secretary of the Superintendents' Association, commented on new provincial legislation for 1935. He noted that the standing committee on valuation of securities cooperated again this year with the valuation committee of the National Convention of Insurance Commissioners.

There is a large question whether contracts of agents, especially in centers of population, that do not produce adequately or do not properly serve their clients, should be continued, B. Arthur Dugal, insurance superintendent of Quebec, stated in a talk on "Conservation and Agency Turnover." Companies may hesitate to lose the new production of such agents, he said, but it is essential that greater attention be paid to agents' records. He believes the agent who produces an inadequate amount of business (CONTINUED ON PAGE 13)

Tailoring

Here and there the Agents of every Company still come upon a prospect who pictures life insurance service as being merely the payment of a lump sum at the death of the buyer. He is astonished to learn that nowadays the representatives of every Company, if they are worth their salt, do a specialist's job of fitting a service plan to a policyholder's needs. Financial circumstances and family needs are expertly scanned. That done, the underwriter gives his man and his family an individual plan that is a tailor-made fit. This is universal practice, and the Agents of every Company, without exception, use it,—regardless of what it may be called.

Life insurance salesmen are unexcelled in their alertness so to plan that the policyholder and his family shall have that coverage which the most nearly parallels the studied need. They "deliver the goods"!

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Because bills keep right on coming... widows must have money every month

THREE WORDS
that make fathers read the story

THOUSANDS of young fathers saw this advertisement in the Saturday Evening Post and Time Magazine. They saw their own wives and children in that photograph... noticed those three words "money-every-month"... read on for details of Union Central Life's Multiple Protection Plan.

No wonder Union Central agents are enthusiastic about this new policy and the advertising campaign behind it. No wonder scores of them heartily agree when John Riha out in Omaha says, "Selling money-every-month to the prospect means more money-every-month to the agent." Mr. Riha paid for \$376,133 of new business in the first five months of 1935. 53% of this was Multiple (money-every-month) Protection.

THE UNION CENTRAL LIFE INSURANCE COMPANY
CINCINNATI

The UNION CENTRAL Life Insurance Company

CINCINNATI

Claim Meeting Is On for Next Week

W. I. Morrow of the Aetna Life
Will Preside Over the
Sessions

FEATURES OF PROGRAM

Number of Interesting Papers Will Be
Presented at the White Sulphur
Springs Conclave

HARTFORD, CONN., Sept. 5.—A large attendance is expected at the annual meeting of the International Claim Association which will open at White Sulphur Springs Monday, President W. I. Morrow reports. He is assistant secretary of the Aetna Life at its head office here.

The meeting will open with an address by H. G. Kump, governor of West Virginia. Richard Rust, secretary of the Union Central Life of Cincinnati, will read a paper on "Building Good Will Through the Claim Department." Dr. G. E. Woodford of the Home Life of New York will lead a discussion on "Detached Retina."

Cost of Unemployment Relief

Chester I. Bernard, president of the New Jersey Bell Telephone Company and chairman of the relief council for New Jersey, will talk on "The Cost of Insuring Unemployment Relief." Dr. Newdigate M. Owensby of Atlanta, will read a paper on "The Value of Psychiatric Medicine to the Claim Adjuster." Daniel J. Reidy of the Guardian Life of New York will talk on "Payments Where Insured Are Suffering from Various Degrees of Mental Disorders."

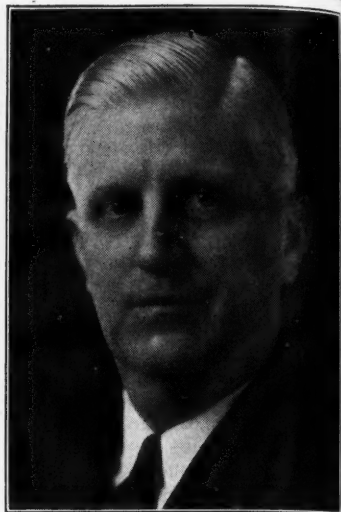
Unusual prizes have been purchased for the men's golf tournament and very special prizes for the ladies' bridge tournament to be held Tuesday afternoon. The annual banquet Tuesday evening will be preceded by a reception in the president's suite. The program committee is withholding an unusual feature of the convention, which the president thinks will be an address by some distinguished person. Most of the clan is expected to arrive at the hotel Sunday. A special train will leave Chicago with the western delegates.

Col. Robbins of A. L. C. in Three Important Talks

Col. C. B. Robbins, manager and general counsel of the American Life Convention, in the last week was on the program at two important life insurance conventions and is scheduled to speak early next month before another gathering. Colonel Robbins extended greetings of the A. L. C. to the National Fraternal Congress at the meeting in Pittsburgh, also presenting an invitation to the fraternal leaders to sit in at the annual meeting of the convention in Chicago Oct. 7-11. He also addressed the annual agents convention of the National Guardian Life in Chicago as guest of President G. A. Boissard, speaking on "Social Security." Another important address by Colonel Robbins is scheduled to be given before the Mortgage Bankers Association of America at a meeting in French Lick, Ind., Oct. 3, the subject being, "The Enduring Value of the Farm Mortgage as Security for Debt."

W. L. Nash, San Antonio manager for the Northwestern National Life, is father of a baby girl, Margaret Neel.

Choice of Hoosiers For National Trusteeship



ERNEST A. CRANE

INDIANAPOLIS, Sept. 5.—With unanimous endorsement of all life underwriters' associations in Indiana, including the state body, Ernest A. Crane, general agent Northwestern Mutual Life, Indianapolis, will be proposed by Hoosier delegates to the Des Moines convention of the National Association of Life Underwriters as their choice for national trustee.

Mr. Crane is serving as district chairman of the membership committee of the National association. He is a former president of the Life Underwriters Association of Fort Wayne, Ind., former director and president of the Indianapolis association, national committee-man and trustee of the National association and also served that body in 1934 as chairman of the nominating committee. For one term he was president of the general agents' association of Indianapolis. In 1911 he was appointed part-time agent by the Northwestern Mutual at Fort Wayne, becoming special agent in November of that year and, on Jan. 1, following, was appointed district agent. In 1928 he was appointed to his present position.

In 1925 he was elected president of the special and district agents association of the Northwestern Mutual; in 1925 he served as president of the agents' association and from 1929 to 1932 was a member of the executive committee of the general agents' association.

The general agency for the first six months of this year ranked thirteenth in volume with the Northwestern Mutual.

Mr. Crane has a fine personality and the faculty of making and keeping friends. While he always fulfills his obligations faithfully and efficiently he carries his responsibilities easily.

Connecticut Mutual Men Active

Connecticut Mutual home office agency men are taking an active part in life insurance association activities this fall. Superintendent of Agencies V. B. Coffin will address the Dallas life underwriters Sept. 13; will attend the National association convention in Des Moines, serving as chairman of the program reporters; will address the Detroit Managers the Life Advertisers Association convention at Swampscott. The following week Supervisor of Publications K. H. Mathus will also attend the L. A. A. gathering, the program of which will be under his direction. Assistant Superintendent of the Agencies R. W. Simpkin will address the Life Office Management Association's convention at Cincinnati, Sept. 30-Oct. 1, and is chairman of the session covering agency auditing.

All Texas Wants You in 1936



Texas
Cordially Invites
The National Association
of Life Underwriters
to Meet
in
Houston
in 1936

*H. Kenneth [unclear] J. G. Fuqua Ray Saunders
Alvin Carlson J. F. Braggs W. B. Benton
C. Hanson Henry Couture L. C. Lumpe
D. C. Smith R. Barney Shields A. H. Wilby
Wm. Harrison Floyd Smith E. E. Harris
J. S. Smith G. W. Nulty Louis Pink
C. B. Kittenberry Frank E. Gimmey Alex Bohnert
Owille R. Eby Emmett P. Anglin Kenneth Hoskins
Rude Buster Clarence Burnell*
R.S.V.P.

Over many years Texas has given generously of her support to the National Association of Life Underwriters and has in turn benefited from its accomplishments.

The National Association has never met in Texas, and now Texas wants its Forty-Seventh Annual Convention for her Centennial Year. Houston is presenting the formal invitation, and all Texas stands back of it.

We, the members of the On-to-Houston Convention Committee, including the presidents of the twenty-one Texas local associations, speak for all Texas life underwriters in urging you to come to Houston in 1936 for pleasant, profitable sessions in a historic setting.

No state in the Union excels Texas in the scenic variety it displays. Today's renaissance of business projected against a background of historical pageantry during our Centennial celebration will stimulate you.

We offer you adequate facilities and all the comforts of an ideal convention city. We want you to taste the warm hospitality that abounds in Texas.

We who affix our signatures to this cordial invitation know that underwriters the state over would say as much or more than we are saying.

Come to Texas, the friendly state.

The On-to-Houston Convention Committee

... and the ...

Texas Association of Life Underwriters

Aetna Life Training Plan Has Been Highly Successful

OPERATED FOR THREE YEARS

Many Excellent Insurance Salesmen
Have Gone Through the School
Since It Started

HARTFORD, Sept. 5.—The Aetna Life insurance school is just closing its third year. The testing period for this school is considered to be over as 81 percent of those who have gone through the school are successful insurance men. In the three years, 800 men have gone through the school from virtually every state. The school starting in September is now turning down applications as accommodations will be taxed to take care of those already accepted. It started originally as a casualty school but now takes in fire and life also. A principal purpose is to fit the student to make a living from the first day, to develop a professional attitude toward the insurance business on the part of the agent himself and to inculcate a strict sense of the value of an insurance man's time as a solicitor. Rigid time control methods plus a knowledge of the business go to the heart of the Aetna Life school system.

Frank B. Summers Endorsed

The Nebraska Life Agency & Managers Association has passed a resolution endorsing the candidacy of Frank B. Summers of Omaha, manager of the New York Life, for trustee of the National Association of Life Underwriters. Paul W. King of the Travelers of Omaha is president; W. A. Fraser of the Bankers Life of Iowa at Lincoln is vice-president, and E. E. Best of the Union Central of Omaha is secretary of the Nebraska body.

Serious Break in the U. S. Bond Market Is Not Feared

STUDY LAST WEEK'S FIASCO

Failure of Treasury to Market \$100,000,000 Issue Seen as Due to
Minor Factors

NEW YORK, Sept. 5.—While the failure of the United States Treasury to market more than \$85,592,000 of its \$100,000,000 issue of 1½ percent short term bonds last week was quite unexpected, it is not regarded by experts as portending anything in the nature of a serious break in the government bond field. The bonds were offered to the highest bidder, a system introduced in June by Treasury Secretary Morgenthau to the accompaniment of considerable irritation of most government bond dealers.

This unusual phenomenon of an insufficiency of bids is regarded as being due to a number of minor factors which combined to make the time an unpropitious one for offering the issue. War talk, for example, has had an effect, even though the unsettling effect arises from purely psychological causes and not from shrewd calculations as to the possibilities of this country mixing in any European fracas.

Yield Was Very Low

The bids ranged from 98 to 100 and averaged 99, an average interest yield on the bonds of 1.762. It is felt that this is a pretty low yield on a bond that is only partially tax-exempt. The bonds are non-taxable except for surtaxes, estate taxes, inheritance taxes and gift taxes.

Dealers who don't like the auction system—and that means most of them—hold that buying on this basis is too

Texas Companies Seek the 1936 Convention

The Texas life companies that are members of the American Life Convention are backing a movement to have the 1936 annual meeting held at Dallas inasmuch as Texas will be celebrating a centennial year, it being in honor of the 100th anniversary of the independence of Texas.

uncertain for the buyer. Hence they are likely to purchase just enough to cover what they know they can re-sell and a modest amount in addition on which to try to make a speculative profit. But trying to do this is extremely risky, they point out, because the varying prices which different dealers pay to the Treasury for the same bonds—prices which may be several points apart—make it possible for those who bought them at the cheaper prices to undersell those who paid more, and establish a market level at which many dealers are going to lose money on their resales.

Some Favor the System

However, some of the most prominent houses—presumably those which have gauged the market correctly in setting their bids—are strongly in favor of the auction system.

The issue which failed of full subscription last week was that of the Federal Farm Mortgage Corporation, due in 1939.

Met With Cool Reception

The Treasury's announcement that it would refund \$1,250,000,000 Fourth Liberty 4½s with new Treasury bonds bearing 2¾ percent interest and maturing in 12 years and new Treasury notes maturing in three and one-half years

(CONTINUED ON PAGE 21)

Outlook in New Jersey Is Considered Very Hopeful

AGENCIES HAVING GOOD YEAR

Most Life Offices Find That Their Production Is Exceeding That
of 1934

NEWARK, N. J., Sept. 5.—With the vacation days drawing to a close, New Jersey life men are making plans for the remaining few months of the year with the hopes of increasing the paid-for production over that of last year. General agents throughout the state, report the paid-for business in excess of that of last year, including annuities, but the agencies plan to make a better showing for the remaining months of 1935.

Increases in paid-for business range from 10 to 50 percent, with the lapse ratio low. This latter factor has been a big boost to the agencies. Another encouraging fact is that policy loans have dropped substantially, and nearly every agency will reach the quota which has been allotted to it.

On the whole, the entire life insurance situation in New Jersey is more than satisfactory, not alone to the home office officials but to the managers as well. With additional agents which are to be added to the forces shortly, there is every indication that 1935 will show a vast improvement over that of the previous year in New Jersey.

Commissioners Book Out

The proceedings of the National Convention of Insurance Commissioners at the recent Seattle meeting have now been published in book form, there being a complete record of the various sessions, including the papers read. The proceedings were prepared by Secretary J. G. Read of Oklahoma.

OLD-FASHIONED HOSPITALITY AWAITS THE N. A. L. U. IN TEXAS



FAITHFUL PROTECTION

The Amicable Life Insurance Company, which has been providing faithful protection for more than a quarter of a century, is glad to add its invitation to those from all Texas urging the National Association of Life Underwriters to select Houston for its 1936 convention city.

AMICABLE LIFE INSURANCE COMPANY

WACO, TEXAS

A. R. WILSON, President

HOLT MASSEY, Secretary



As active, refreshing and effervescent
as the beverage his name suggests

"BROMO" SELTZER

Des Moines General Agent for the Aetna Life
and Chairman of the Attendance Committee
of the National Association of Life Underwriters
invites you to come to Des Moines to the

Life Underwriters' Convention

during the week of September 16th for what
he promises—and we know—will be a profit-
able, constructive, and enjoyable experience.



AETNA LIFE
HARTFORD



Harper's Weekly, Sept., 1886

In the Sixties Life Was Simpler

Seventy years ago when the Connecticut General was founded cash requirements were small. Living expenses were low and homes large enough to employ and shelter impoverished members of the family. Life insurance was used only in an elementary way.

Since then life insurance has been developed and refined. Besides meeting the multitude of new hazards mechanical progress has brought in its train, it copes successfully with a greatly increased economic hazard. Life is longer now though working years are shorter and city life makes a cash income essential as long as one lives.

For seventy years the Connecticut General has adjusted its business to the constantly changing problems of the public. Today its agents are trained in family financial management. Their constant study and extensive contacts backed by Home Office analysis and interpretation give them command of the very best current practice. Life insurance arranged with regard to the family's entire financial set up makes it possible for nearly every family to achieve a degree of security once beyond the reach of any but the most fortunate.

Some idea of the methods used by Connecticut General agents is given in our book "How to Build Up a Guaranteed Income for You and Your Family." Copy obtainable at any local office of the Company.

Connecticut General Life Insurance Company

Hartford, Conn.



A CONTRACT THAT ASSURES YOU ...

- Full rewards for your productive ability.
- Liberal commissions and bonuses.
- A real opportunity to build a future.
- Intensive personal home office and field assistance.

Territories of proved productivity now open.

The Old Line

Cedar Rapids Life INSURANCE COMPANY

Cedar Rapids, Iowa

Colonel C. B. Robbins, Pres.
C. B. Svoboda, Secy.—Jay G. Sigmund, Vice-Pres. & Agency Director

Houston, Boston Waging Hot Fight for 1936 Convention

SEEK NATIONAL ASSOCIATION

Texas Has 21 Local Associations and
Expects Support from Others in
South and Southwest

DALLAS, TEX., Sept. 5.—The Texas Association of Life Underwriters is now conducting a whirlwind campaign to bring the national convention to Texas in 1936—Texas Centennial year. The association, composed of 21 local associations, has endorsed Houston as the next convention city and is now conducting a campaign in all parts of the United States to bring the convention to the south Texas metropolis.

H. K. Cassidy, president of the Texas association, is urging every local organization to see to it that it has a representative at the Des Moines convention and that this representative be provided with the proper credentials. Some members of the state organization have been working for months to arouse sentiment for the next meeting in Texas, giving members of the national organization an opportunity to attend the exposition and see the historic spots as well as the beauty spots at the same time. Scores of life companies are bringing their annual agency conventions to Texas in 1936.

In connection with the bid Boston is making for the next convention, it is pointed out there are only 23 local associations in all New England while in Texas alone there are 21, and it is believed here that these, with those in other southern, southwestern, western and mid-western states, which have promised support, should be able to swing the convention to Houston.

WANT HOOVER, SMITH AS SPEAKERS

BOSTON, Sept. 5.—The Boston committee to secure the next annual convention of the National Association of Life Underwriters in 1936, has been much heartened the past week by reports from many cities offering support for this city for the annual gathering. These expressions have come from Denver, Omaha, New York City, Montgomery, Ala., Richmond, Va., and Milwaukee.

The National Association of Life Underwriters has been memorialized by the convention committee of the 21 New England associations to invite Herbert Hoover and Alfred E. Smith to be the principal speakers at the 1936 National convention. The convention committee is seeking to bring the 1936 convention to Boston. Paul F. Clark of Boston is the chairman. As a matter of fact, it is understood efforts were made to get Mr. Smith to appear at the Des Moines National convention this year.

The New England committee has issued invitations to the officers and directors of all local associations to attend a New England caucus in Des Moines Sunday evening, Sept. 15, in behalf of Boston's bid for the next year's convention.

UNIQUE PROGRAM

Those registering at the Des Moines convention of the National Association of Life Underwriters will be presented with striking and unusual souvenir programs. A. E. Patterson of Chicago, the program chairman, has taken much interest in the actual booklet of the convention and has produced something original. It has a two-colored cover and includes 100 pages of useful information. It is printed in modernistic type and bound with a new spiral steel binding. It is divided into four sections covering convention sessions, association roster and committees, sales ideas of prominent life underwriters and notes on proceedings.

There is an activity schedule which

Life Agent Has Written Some Famous Athletes

Julius Rosenbaum, agent of the Equitable Life of New York in Chicago, connected with the Lustgarten agency, being a member of the unit conducted by Assistant Manager Ned Becker, has achieved distinction since he started in the business Jan. 1, by writing \$1,250,000 to the end of August. He was previously a hat salesman and was one of the leading men in that business in the central west. Mr. Rosenbaum has an extensive acquaintance in the sporting world. He already has written such men as Max Baer, Jack Dempsey, Joe Louis, Jim Braddock and their managers. He also has made an invasion among professional baseball players and has written them. Mr. Rosenbaum's key to success is the fact that he is able to convince prospects that he knows the business and can adapt life insurance to their special needs.

shows at a glance the location and time of each event together with the names of the speakers. This will give a bird's eye picture of all the convention sessions.

There is a message of greeting from the Des Moines association and an acknowledgment by President Riehle and eight pages of photographs of convention personalities.

Twenty-five sales ideas, written especially for the convention, are carried in the next section.

At the close of each day a special committee headed by Vincent B. Coffin of the Connecticut Mutual Life, will prepare a short summary of the day's high spots. These will be printed and distributed the next morning. They will be gummed on the edge so that they can be pasted into the section reserved for them.

Mr. Patterson states that over 65 percent of the talent appearing on the program has been drawn from the field; 13 percent is contributed by home offices and the remaining 22 percent from other sources. Of the 23 speakers on the main convention program, nine are agents, six general agents, three company officials and five outsiders. Eleven companies are represented on the main speaking program and the 23 speakers will come from 11 different cities.

Wins by Six-Hour Margin

NEW YORK, Sept. 5.—A six hour delay in the death of Richard H. Brown, former \$100,000-a-year president of a New York electrical supply house, would have saved life companies about \$500,000 if published reports as to the amount of his insurance and the imminence of its expiration are accurate. Brown, who was at liberty on bail after being sentenced to five years in prison and being fined \$18,000 for fraudulent dealings in his company's stock, is definitely known to have had close to half a million in life insurance prior to the stock market crash. He died this week from what the medical examiner's office determined to be coronary sclerosis and gastric disturbance, although the vital organs will be examined for poison. His attorney refused to verify or deny the report about the amount of life insurance or when it would have expired.

Gets Out Important Bulletin

The Diamond Life Bulletins, 420 East Fourth street, Cincinnati, has issued a very valuable special bulletin giving a synopsis of the 1935 federal tax law just passed including the income tax, estate tax, gift tax and corporation taxes. This is an authoritative document which will be highly valuable to life men in their preparation for service to prospects and policyholders.

Mortimer G. Huber of the Aetna Life office at Madison, Wis., and immediate past president of the Madison Association of Life Underwriters, has been named general chairman of the wards division for the 1935 Community Union charity campaign.

Federal Life Celebrating Thirty-Fifth Anniversary

HAS BUILT SOLID BUSINESS

President Hamilton Has Taken an Active Part in the Insurance Organization

The Federal Life of Chicago this month is celebrating a dual anniversary. The company was incorporated Sept. 8, 1899, and commenced business May 5, 1900. On Sept. 6, President Isaac Miller



ISAAC MILLER HAMILTON

Hamilton reaches his 71st birthday anniversary. He has been connected with the company since it started 35 years ago. Mr. Hamilton was a lawyer and served in the Illinois state senate. He lived downstate and had invested in stock of the newly organized Federal Life, J. E. Griffin being the organizer. When the money was all up prominent stockholders felt that there should be a man of distinction, worth and prominence to head the organization. They selected Mr. Hamilton and thus he was actually thrust into the business. R. M. Wilbur was secretary and actuary. As soon as he took up the reins of government he devoted himself assiduously to his task and his ability was recognized at once.

Growth of the Company

The Federal Life has now upwards of \$15,000,000 of assets and over \$85,000,000 insurance in force. It organized an accident and health department and came into prominence especially in its own city by the accident policy it offers through the Chicago "Tribune." President Hamilton had foresight when he purchased the home office building at 168 North Michigan avenue, although at that time he was severely criticized for making the investment. However, the improvement on Michigan avenue caused property all along the line to be enhanced in value.

President Hamilton has been fortunate in forming an organization of trusted and tried men. He has taken high rank in business outside of his own company. He is one of the organizers of the American Life Convention and served as its president. He also helped to organize the Health & Accident Underwriters Conference and served as its president for two terms. He was one of the organizers of the Association of Life Agency Officers, was its first secretary and later its chairman. He was instrumental in establishing the Life Insurance Sales Research Bureau.

Mr. Hamilton has been president of the Illinois Canning Company of Hoopston, Ill., his old home for many years. He is chairman of the board of

De Celles Advocates More Flexible Plan of Deposits

Speaking at the fortieth annual convention of the Loyal Protective in Boston and addressing himself particularly to the new Loyal Life, Commissioner DeCelles of Massachusetts declared the future of life insurance rests in extending the annuity plan and urged life companies to develop a monthly deposit plan.

"Several years ago," he said, "the primary function of a life insurance company was to provide for payments at death. The expansion into the endowment field and the annuity field indicates the growing consciousness of the business man in regard to some sort of provision for social security after retirement. I feel that the life insurance companies can well develop a monthly deposit plan not of any fixed amount but of an amount that could vary with the earnings of the individual.

Flexible Scheme of Deposits

"It may be said that such a plan is at present offered by your companies. The obvious disadvantage of your present plan is that a man at the peak of his earnings will agree to a certain annuity premium. He struggles along at this definite premium even when his earning capacity is impaired by depressions and reductions in salary. If the annuity plan of voluntary social security is to be a success, your companies must arrange a more flexible scheme of deposits. This, of course, would mean that you could not offer such liberal death payments but it would provide in some small measure against old age.

"I have often heard life insurance salesmen say that in reality, life insurance is savings. That should be true in the strictest sense. Thousands of business men are now beginning to realize that they cannot rely upon their individual judgment for the development of investments which would protect them after retirement. Most men don't dare take a chance. The stability of your life insurance companies during the past depression has proven that men can rely upon the business judgment and investment policies of life insurance companies. No investment trust deposit plan can work quite as well as your annuity plan.

"Expand your annuity plan," he advised. "Make it more flexible; be content with little profit; consider yourselves as savings depositories. Allow a man to save as he earns and make your premiums flexible to the man's income. Don't sign a man up at a high premium and then when his income is reduced, force him to cancel his policies at a financial loss. Your future in this field depends upon your ability to work out such a plan as I suggest. There is a ready market and thousands of people who are willing to assume what we might call a voluntary social security program. Not only will you thereby aid the individual but you will provide insurance for the government against the future possibility of having to care for thousands of people with reduced incomes."

the Lake Shore Trust & Savings Bank of Chicago. He has been active in Republican politics, serving in days gone by as president of the Illinois League of Republican Clubs and the National Republican League. Recently he has been prominent in the American Tax Payers League of which he is vice-president.

The Federal Life has always been prominent in life insurance circles and President Hamilton is one of the best known executives in the country. He has been the builder of the company and it stands as a monument to his enterprise and vision.

September has been made "Hamilton Month" in honor of his anniversary.

Starkey Duncan, San Antonio, Tex., agency manager for the Fidelity Union Life, is father of a baby boy, Starkey Davis Duncan.

The beaver is a fine family man. Instinctively, he plans ahead for the long, cold winters when the ground and trees will be covered with snow and ice, and food will be scarce.

The beaver's example is an excellent one to point the story of the value of life insurance. Many Field-Men who read the Metropolitan's advertisement "Consider the Beaver" in the September magazines* will find this comparison useful in explaining a Life Insurance Program.

*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, President

ONE MADISON AVE., NEW YORK, N. Y.

Conditions Have Improved in East Seashore Areas

MORE PROSPERITY IS FOUND

Business Men Have Had a Good Season and the Outlook Is Much More Hopeful

PHILADELPHIA, Sept. 5.—Agents who number among their policyholders business men at seashore resorts are firm in their belief that prosperity is either here or is definitely on the way.

They point out that in the past shore policyholders, notably restaurateurs, have been slow pay. Generally the renewal premiums have been received just as the agents were getting ready to cancel the policies. But not this year.

Today premiums for renewal are being received even before the agents have sent out the renewal notices. Agents point to this condition as a sure indication of improving conditions. They argue that the greatly improved business in all time—indicate that the public is once again "in the money," that it has paid off its pressing debts and now has money to spend for luxuries as well as essentials.

Public in Receptive Mood

They argue that this situation, first pointed out by industrial accident and health companies, shows that the public today is in a receptive mood for all lines of insurance and that the agent who will get out and work this fall and winter will find his volume going up by leaps and bounds.

The advance payment of premiums from the summer resorts is reported by all agents who declare that this is true today of all lines of business at the shore—restaurants, hotels shops, etc. This condition has served to liven up a usually dull August and to make agents face the new season with a brighter outlook.

Riehle on Social Security

T. M. Riehle, president of the National Association of Life Underwriters, has issued a statement pointing out that the federal social security act does not provide benefits large enough to meet the needs of all classes of society. Personal thrift and investment as a hedge against premature death and secure old age through life insurance and annuities will, he declares, continue to be extremely desirable and necessary.

The maximum that could be received is \$85 a month, he pointed out. To receive this a contributing employee must earn \$250 a month for 45 years, beginning Jan. 1, 1937, without interruption of earnings for any cause, for 52 weeks a year.

The federal plan is not a substitute for life insurance or annuities, he contends. The government plan lacks the flexibility of privately purchased annuities that are available to all classes and in various forms which can be suited to individual needs and desires.

C. L. U. Courses at Butler

Butler University of Indianapolis announces C. L. U. courses for the year, with registration Sept. 17, the day before instruction begins. Studies are outlined in the announcement for the five C. L. U. examinations under instruction by the faculty, to whom has been added L. R. Townsend, a graduate of the Butler and son of J. R. Townsend, agency manager at Indianapolis for the Equitable Life of Iowa. The time of the lectures has been placed late in the afternoon and evening to accommodate local life men. The courses are open to all persons interested in the work whether or not they desire university credit or the C. L. U. certificate only. Indiana University has also conducted an extension course in C. L. U. work in Indianapolis for the past six years.

National Guardian Life Is Celebrating Silver Jubilee

COMPANY MADE FINE RECORD

President George A. Boissard Has Been Its Guiding Genius Since It Started in 1909

This is the silver jubilee of the National Guardian Life of Madison, Wis., it having been organized in 1909, after some 27 companies had withdrawn from Wisconsin because of legislative enactments which were considered burdensome. The National Guardian was es-



GEORGE A. BOISSARD

tablished on a stock basis and operated purely on the non-participating plan for the first 10 years. Then based on its own experience its charter was changed to become a participating company with the provision that the stock could never be increased by stock dividends or otherwise so long as any participating policies remained in force.

Practiced Mutuality Since It Started

The company has practiced mutuality from the start. The first move in that direction was made in 1915 when a 3 percent premium tax hitherto imposed on Wisconsin companies in Wisconsin was repealed by the legislature. The National Guardian Life immediately refunded 3 percent on its non-participating premiums and has continued that practice.

In 1930, with 10 years of experience in the participating field, the directors adopted a resolution making non-participating policies participating to the extent that the net cost should be no higher than under participating policies of the same kind, age and duration in force.

Action on War Service

The company had about \$9,000,000 or \$10,000,000 of insurance in force when the United States went into the war. All the policies had been written with a clause requiring an extra premium of 3 percent of the face of the policy for war service. A considerable number of policyholders paid the extra premium and within the year after hostilities were closed, some 80 percent of this extra premium was refunded to those who paid it, the war mortality going only 18 percent beyond the tabular rate.

Boissard in Newspaper Work

The presiding genius and transcendent star of the National Guardian Life is President George A. Boissard, who has been connected with it since its organization and who is responsible for the establishment of its ideals and business policy. He is an old time newspaper man. He was a printer by trade and knew the mechanical art of printing. He purchased an outfit for a shop at Ke-

Group Life Session New in A. L. C. Program

One of the outstanding features of the annual meeting of the American Life Convention at the Edgewater Beach Hotel, Chicago, Oct. 7-11, will be a group insurance round-table discussion which is being planned to be held in the west lounge Thursday evening, Oct. 10. Ralph R. Lounsbury, president Bankers National Life, Montclair, N. J., will be chairman. Considerable interest is being manifested in this session, which is expected to be a popular feature of the meeting and may take a permanent place on the annual meeting programs.

nosha, Wis., and established the first daily paper there. Later he was a newspaper reporter at Parkersburg, W. Va., East Liverpool, O., and then migrated to Toledo, where he acted as sports editor in the daytime and telegraph editor at night. He became one of the staff of the famous Toledo "Blade." Owing to his familiarity with sports he went to Columbus, O., at the time the old Western Baseball League, now the American League, was established. Ban Johnson was sporting editor of the old Cincinnati "Gazette." He was elected president of the new baseball league and urged Mr. Boissard to take his place at Cincinnati, which later he did. Subsequently Mr. Boissard became city editor of the Cincinnati "Times Star" and then the Cincinnati "Commercial Tribune."

Entered Life Insurance Field

He left newspaper life in 1901 and joined the Western & Southern Life of Cincinnati and organized its ordinary department. He remained there until he went with the National Guardian Life in July, 1910. The company started business Oct. 11, 1910. Mr. Boissard was the life insurance man of the company and he has impressed it with his striking, picturesque, vigorous and honest personality.

Silver Jubilee Banquet

At the silver jubilee banquet at the Edgewater Beach hotel Friday night, C. M. Cartwright of THE NATIONAL UNDERWRITER acted as toastmaster. A committee of stockholders of the National Guardian Life when the company had been promoted and the promoter had gone, went to Chicago to confer with Mr. Cartwright to seek his advice as to securing someone whom the organizers could get to head the company. He strongly recommended Mr. Boissard and he was chosen shortly thereafter. Therefore at the banquet, Mr. Boissard's sponsor 25 years ago sponsored him again before his organization. Mr. Boissard recounted some early experiences in the company's life.

Frank Van Sant of Madison, Wis., spoke for the "Councillors" of the field organization.

Melvin Emerson of Spring Valley, Wis., on behalf of the field and home office presented Mr. Boissard with a large silver tray and an album with the signatures of the donors.

A. L. Saltzstein to Celebrate

MILWAUKEE, Sept. 5.—A. L. Saltzstein, general agent in Wisconsin and upper Michigan for the New England Mutual, will observe his 35th anniversary in that capacity with a dinner for home office officials, general agents from other territories and the entire local organization at the Milwaukee Athletic Club, Sept. 21. Mr. Saltzstein completed 35 years of consecutive service as general agent here at the end of August. Guests will include George Willard Smith, president; George L. Hunt, vice president; Glover Hastings, superintendent of agencies, and Charles Collins, assistant superintendent.

California-Western States Meeting Is Held in Canada

EL CAPITAN CLUB IN SESSION

President Lacy Addresses Agents at Victoria, B. C., Convention; Participating Plans Announced

Agents in the future will be recognized by the growth of their clientele, as well as their record for insurance in force, President O. J. Lacy of the California-Western States Life declared in an address at the banquet with himself as host which was the highlight of the annual convention of the El Capitan Club, held in Victoria, B. C.

President Lacy said great improvement in the caliber of agency material, class of business submitted and the volume record was made during the year. This was his second meeting with the agents in annual convention since his elevation to the presidency.

New officers of the club installed are: President, Le Roy B. Pyper, Tucson, Ariz.; first vice-president; G. Guy Young, Alturas, Cal., second vice-president, Theodore Barth, Lodi, Cal.; third vice-president, Paul C. Lyon, Salt Lake City, Utah; secretary, Benton Maret, and treasurer, Stella G. Gibbs, Woodland, Cal.

The official family, headed by President Lacy, included several of the company's directors and 32 agency managers and assistant managers, more than 200 persons being present. Business sessions were held in the mornings during the four days of the meeting, the afternoons being given to recreation. Ray P. Cox, vice-president and manager of agencies, was in charge of the business program, enlivening the sessions with practical sales tips.

Two Women Are Qualified

Mrs. Gibbs has made the club for the last 13 years, the only woman producer to hold that honor. This year she was joined by Mrs. Mary M. Bradley of the San Francisco agency.

President Lacy, followed by Vice-president Cox, announced that the company now is ready to offer participating policies, including a special participating endowment at age 90 with minimum policy \$5,000, to be known as the "preferred risk ordinary life"; special participating endowment age 96, minimum policy \$10,000, to be known as "preferred risk ordinary life endowment 96," and also participating policies on the regular ordinary life, 20 payment life and endowment at age 65 plans.

E. T. Gilbert, Los Angeles manager, presided at the business sessions, which opened the first day with a conference on a Puget Sound steamer. Following arrival at Victoria, an afternoon session was conducted by Vice-president Cox, the annual session of El Capitan Club being held in the evening. The second morning the business session, presided over by A. H. Hakenson, manager Salt Lake City, was followed by a sight-seeing trip and the annual dance in the evening.

The general theme in the business sessions was "Life Insurance, the Best Investment." Discussion on "Income Property, the Best Investment for the Average Man," was held the first afternoon. The second morning was devoted to discussion of "Prospects and Prospecting," "Fundamentals of Success," etc.; the third morning to "Participating Insurance," with explanation of the new policies. Then with F. E. Russell, department manager, presiding, there was a round table on conservation. J. W. Pearson, San Francisco manager, presided at the session the third day, devoted to sales presentations. L. D. Cranmer, superintendent group department, spoke on "Group and Wholesale Insurance from the Agent's Viewpoint."

President Lacy read a telegram at the banquet from the New World Life executives, sending congratulations and reminding him that four California-West-

ern States Life executives formerly were connected with the New World. These were President Lacy, Vice-president Cox, Vice-president E. B. Sherwin and James L. Collins, agency superintendent for Texas.

T. A. East, Fresno, Cal., manager, headed the largest delegation with ten agents who qualified. Mr. East gave an inspirational talk.

Eight cash prizes were awarded to agents who made the best conservation record on exposed previous year's business and who also met volume in other requirements. Mr. Pyper as new head of the El Capitan Club, succeeds Grant Taggart, Cowley, Wyo.

Walter C. Kennedy, chief underwriter at the home office, was in charge of all the convention arrangements.

Report on Examination Made

Illinois Department Tells Results of Probe of Old Republic Credit Life of Chicago

The Illinois department has released its report on the examination of the Old Republic Credit Life of Chicago. The examination was made as of Dec. 31 showing assets \$802,926, capital \$200,000 and net surplus \$90,200. The report says that the financial condition is sound and the policyholders are amply protected. The present cash position is deemed ample for the ordinary operating needs. The report finds that the average expenses have been moderate and the mortality savings favorable. The policy claims are paid promptly and in accordance with the provision. Agency expenses, the department finds, have been heavy. N. A. Nelson, Jr., is secretary and general manager. The company is licensed in Alabama, Illinois, Indiana, Louisiana, Minnesota, Missouri, Nebraska, North Carolina, Ohio, Pennsylvania, Tennessee and Virginia.

The total income last year was \$165,506, disbursements \$199,491. The report says that care and close supervision must be maintained over the present assets in order to minimize losses which will undoubtedly be sustained in the liquidation or disposition of some of these items. The past few years, the report says, have witnessed the growth and development of the Rapport plan of insurance, also known as the credit plan. Some of the policy forms issued on this plan have not been approved by the department. The investment account, the examiners find, has been bolstered by the acquisition of the business of the State Life of Illinois.

Counter H. B. Hill Estate Claim

In an answer to a suit for \$50,000 against the Abraham Lincoln Life of Springfield, Ill., and the Illinois Bankers of Monmouth in behalf of the estate of the late H. B. Hill, former president of the Abraham Lincoln, those companies claim that Hill owed them \$259,367. Hill died under circumstances strongly indicating suicide after the exposure of the plot of gangsters to get control of the Abraham Lincoln and milk it. The business of the Abraham Lincoln was subsequently reinsured by the Illinois Bankers.

The two companies charged that Hill had converted the \$259,367 to his own use from the assets of the Abraham Lincoln. The action is in Sangamon county circuit court at Springfield.

Appeals Loyal American Case

An appeal has been filed with the Illinois supreme court from the refusal of the Sangamon county circuit court at Springfield to upset the reinsurance of the Loyal American Life Association of Chicago into the Ben Hur Life of Indiana with 100 percent lien against the reserves of the Loyal American. Mary Bohnert is the plaintiff. She alleges that policyholders of the Loyal American suffered injuries amounting to \$2,500,000 and that officers of the Ben Hur Life conspired to defraud. The circuit court dismissed the litigation for want of equity.

New Life Insurance Manual to Be Put Out by H. A. Davis

The H. A. Davis Company, Chicago, is planning to bring out a new life insurance manual in which will be given full details regarding 44 companies, eight to ten pages being devoted to each. No company with less than \$100,000,000 insurance in force will be listed and the 40 other companies not eliminated by that requirement are left out because of changes in management and because they do not meet certain standards. The book will be about 9 by 12 inches in size and will be bound. It will be written in the language of the layman and its objective is to furnish the salesmen of the companies included with a soliciting document showing the strength and pertinent information about their companies. None of the companies given will be rated, inclusion in the book being a recommendation in itself. The introduction to the book will give a full explanation regarding the methods used in selecting the 44 companies and the actuarial formulas and methods employed.

The information on each individual company will include historical background, biographical sketches of leading officers and directors, analyses of finan-

cial statements and expenses, etc. No policy rates will be published. The publishers claim that the book will be entirely new and will not compete with the present manual digests on the market.

The H. A. Davis Company has withdrawn from the councillor field and is restricting its activities to analysis work.

Snow Made Agency Assistant

E. H. Snow has been appointed agency assistant at the home office of the Aetna Life, effective Oct. 1, and will be closely associated with R. B. Coolidge, assistant superintendent of agents. Mr. Snow, who has been an agent in the Aetna's Chicago office, has developed an unusual sales presentation which has been widely used all over the country. He was formerly with the Retail Credit Company.

In the Billionaire Class

In the listing of the billionaire institutions of the country by the "United Press," it gave 23 organizations which have assets of \$1,000,000,000, or more. The Northwestern Mutual Life was not included in the list but it passed the billion mark last year. It should be in this notable family as its assets are \$1,418,384,011, making 24 institutions.

Jesse Jones Tells About Will Rogers' Insurance

WASHINGTON, Sept. 5.—Chairman Jesse H. Jones of the Reconstruction Finance Corporation has been authorized by Mrs. Will Rogers to announce that Mr. Rogers carried only \$530,000 of insurance on his life, according to the Associated Press. It had previously been reported that the comedian carried \$850,000 in life insurance and \$2,500,000 in accident insurance issued by London Lloyds. Mr. Jones said that Mr. Rogers carried \$280,000 of regular life insurance and \$250,000 in accident insurance. Mr. Jones is an old friend of the Rogers family.

Johnson With Pan-American Life

A. A. Johnson who resigned recently as district manager of the Manufacturers Life, is appointed district manager of the Pan-American Life in northern California. Mr. Johnson was a candidate for appointment as insurance commissioner earlier this year.

GUARDIAN LIFE NEWS

"Prospect Bureau" Continues to Pay Dividends!

1935 marks The Guardian Life "Prospect Bureau's" 14th Anniversary. Its consistent willingness to pay dividends to users—in the form of increased paid-for business—has made it one of the Field's most effective sales instruments.

The Bureau's ability to produce profits for the agent is not a matter of speculation. It has *proven* itself—since 1921.

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

ESTABLISHED 1860

50 UNION SQUARE

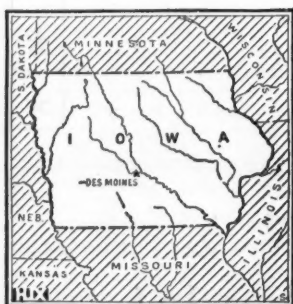
NEW YORK CITY

GUARDIAN OF AMERICAN FAMILIES FOR 75 YEARS!



GREETINGS: N. A. L. U.

For one week—September 16 to 21, 1935—Des Moines, Iowa, will be undisputed life insurance center of the United States. For one week Des Moines, home city of 47 insurance companies, will be host to about 2,000 delegates to the 46th annual convention of the National Association of Life Underwriters.



Good Railroads—nine of them
—will take the delegates there
and bring them home again.

Good Hotels will enable them to
play, rest and talk.

Good Meetings will inspire
them to better things next
year.

Good Times . . . (all work and
no play makes a dull conven-
tion.)

Provident Mutual is happy to
send a message of greeting
and best wishes to this meet-
ing and all of you who will
attend it.

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA—Founded 1865

FHA Plan of Mortgage Loan Explained by an Official

J. Bert Easley of Washington, D. C., assistant director of mortgage insurance of the Federal Housing Administration, spoke before the National Fraternal Congress at Pittsburgh last week on "Insured Mortgages as Investments." He declared that the breakdown in the mortgage lending structure during the depression brought out some glaring defects. The most outstanding weakness in his opinion was the prevailing practice of lending for terms of three to five years with no provision or intention that the debt would be retired at maturity. As long as lenders were willing to renew or borrowers could readily finance their loans elsewhere the flaws in the system did not stand out. It did not encourage final payment.

Percentage of Value

Another basic defect, he said, was the general practice of restricting loans to 50 or 60 percent of appraised values. In itself this was not unsound. Considering the merits of the practice, however, he said, one must be realistic. It is estimated that since 1929, 70 percent of all the families had an annual income of less than \$3,000. Approximately 60 percent received less than \$2,000. A reliable authority recently stated that the annual cash income of 75 percent of the nation's families today is less than \$2,000.

Above the \$2,000 line is another substantial percentage of the population whose incomes are so little above the cost of decent living that the savings of an amount sufficient to acquire a 40 or 50 percent initial equity is almost out of the question. Therefore, Mr. Easley said, the fact stands out that only a relatively small percentage of the people could ever expect to own a home. Institutions, he declared, which have insisted upon large initial equities have merely fostered a practice which is admittedly one of the weakest parts in the mortgage lending system.

Still another point, he said, has been the high cost of home financing. High interest, renewal fees and other charges have combined to make the cost of owning a home excessive. This is particularly true in small communities.

Therefore Congress set to work to eliminate the major defects and brought out the mutual mortgage insurance act as set forth in title 2 of the National

Housing Act. It applies to urban dwellings for not to exceed four families.

Congress supported this method by a plan of insurance. The system provides an annual premium of one-half of 1 percent to be paid by the borrower into a fund under the jurisdiction of the FAHA and this is used to administer the system and set up reserves against losses. If an insured loan goes into default the lender acquire title and turns the property over to the FAHA together with all claims arising from the mortgage transaction. In return the administrator issues debentures covering unpaid principal including 3 percent interest from date it commenced the foreclosure proceedings to date of delivery of the property to the administrator together with taxes and hazard insurance premiums paid to the mortgagee during the period of default. These debentures are guaranteed by the United States both as to principal and interest.

Property Is to Be Sold

The administrator proceeds to sell the property at his discretion and uses the proceeds to retire the debentures with interest at the rate of 3 percent. It is contemplated that insurance premiums and the proceeds from the sale of property will completely finance the operation. The FHA has developed an appraisal and risk rating system which it counts very effective. Mr. Easley described the plan because he wanted to give assurance that the FHA could safely insure loans for a higher percentage of values and which run for a longer period than life companies have been accustomed to extend.

Life companies, he said, do not make investments with the intention of disposing of them unless something happens to the security itself. There are times when an economic disturbance makes it necessary to convert investments into cash either by sale or loan. In such cases the facilities of the Federal Home Loan Bank, he declared, would have been made available to institutions holding insured mortgages without the necessity of membership in the system. These banks have been authorized to lend up to 90 percent of the unpaid principal of insured mortgages for periods of up to 10 years at low rates of interest.

Reports for First Six Months

	Capital	Assets	Surplus	6 Mos. Income	6 Mos. Disburs.
Aetna Life	15,000,000	481,262,022	12,135,851	66,804,995	54,651,489
Acacia Mutual		57,666,474	1,326,180	6,857,537	4,728,768
Atlanta Life, Ga.	250,000	2,296,505	398,480	874,403	762,230
Atlantic Life, Va.	500,000	25,171,447	502,793	2,544,983	2,197,549
Bankers H. & L., Ga.	100,200	1,050,107	153,849	557,977	524,668
Conn. Mutual		256,876,232		28,655,389	17,146,202
Fidelity Mutual		103,625,366	5,706,396	10,017,839	7,585,261
Franklin Life	250,000	31,421,702	859,309	3,185,961	2,821,231
General American	500,000	122,281,931		13,002,263	13,621,487
Great Northern	319,000	5,509,301	143,026	1,209,443	1,241,930
Guarantee Mut., Neb.		17,366,622	1,296,671	2,215,531	1,900,785
Hercules Life	500,000	28,013,385		5,157,836	3,395,014
Industrial L. & H., Ga.	250,000	1,636,571	266,374	1,860,012	1,787,606
Jefferson Standard	1,000,000	59,734,812	1,900,000	6,508,820	4,730,968
Kansas City Life	1,000,000	77,728,880	6,666,366	9,699,103	6,029,395
Life of Virginia	5,000,000	80,973,311	6,335,662	8,875,958	6,532,415
Massachusetts Mutual		517,533,232		57,614,913	40,948,545
Metropolitan Life		4,104,176,686		478,155,709	386,185,673
Mutual Benefit, N. Y.		577,665,733	30,800,000†	52,191,886	43,651,977
Morris Plan Ins.	450,000	1,717,376	715,916	237,133	221,913
National Life & Acci.	3,000,000	40,311,827	3,399,622	9,345,679	7,622,629
Northwestern Mut.		1,042,294,160	54,091,276*	103,943,747	78,799,042
Phoenix Mut.		186,317,569	6,093,585	20,561,746	13,486,586
Progressive Life, Ga.	28,650	41,057	2,619	50,365	50,784
Protective Life	1,000,000	8,753,128	500,000	943,374	886,081
Provident Life & Acci.	800,000	6,839,612	600,000	3,362,726	2,591,314
Prudential	2,000,000	3,040,322,897	121,608,040	350,723,167	278,743,692
Reliance Life	1,000,000	88,872,473	3,584,987	10,163,763	7,136,228
Reserve Loan Life	200,000	10,026,174	225,562	946,169	1,172,412
State Life, Ind.		49,566,338	1,706,238	4,209,675	4,331,151
State Mutual, Mass.		159,345,703	9,300,000	15,980,299	12,596,377
Shenandoah	500,000	6,688,087	330,309	1,161,466	1,100,204
Sun Life, Can.	2,000,000	686,355,439	6,506,280	79,459,809	57,839,271
Travelers	20,000,000	767,360,431	15,634,715	106,545,398	77,457,489
Union Central	2,500,000	316,515,623	12,087,934	32,652,823	25,721,015
United Mutual		25,404,205	988,179	1,950,635	1,913,858
Volunteer State	500,000	21,941,445	500,000	1,900,943	1,981,821
Washington National	600,000	2,577,374	530,342	2,904,163	2,779,518

*For contingencies. †Estimated contingency reserve fund.

RECORDS

Guarantee Mutual Life—It reports August as 10 percent higher in net issued business than the average for the seven preceding months. The past four months have been showing increase in force.

Northwestern National—August was a record-breaker for production. Ordinary business increased 16 percent over the corresponding month of last year. Total new business for the month, including group, was the second largest on record for August. It amounted to \$4,576,514 and was exceeded only by last year's total volume. Leaders were the White & Odell agency, Minneapolis; the Albachten-Strudell agency, St. Louis; the A. W. Cray agency, Fargo, and the Texas state agency, Houston.

Columbian National Life—Eight months increase of 34 percent in new paid life business. Insurance in force increased. There has been a definite trend toward larger policies, the average size issued in August showing an increase of \$651.

Wilmer M. Hammond, Los Angeles, Aetna Life—12 percent increase in paid volume for the year. In July led company in group volume. August group sales over \$500,000 on 381 lives.

Mark S. Trueblood, Los Angeles, Union Central Life—August gain of 150 percent in paid production. Gain for year 54 percent.

Ohio Commissioner Gives Support to Expert Rates

(CONTINUED FROM PAGE 2)

they may be, have not had time to properly appraise the many companies doing business in their states. The very merger statements given by the insurance departments as to the assets and liabilities of a company are of little or no value to the man on the street who makes inquiry of an insurance department. It almost goes without saying that any rating or reporting bureau not making honest reports should be stopped from having their reports circulated."

FLORIDA OFFICIAL'S POSITION

Commissioner Knott of Florida, in response to an inquiry states: "I believe that the discontinuance of ratings by private agencies is a good move, but so far I have not had occasion to issue any ruling on this subject and really doubt if I have any authority to do so under the existing laws of Florida."

Waltz Shifted to Detroit

E. G. Waltz, Memphis general agent of the Washington National, has been transferred to Detroit as general agent. C. C. Smith, formerly a district agent in the Waltz agency, takes over the Tennessee general agency.

Philadelphia Life Dinner

The Philadelphia Life will be host to all of its eastern and central Pennsylvania and southern New Jersey agents and their wives for a dinner in Philadelphia Sept. 13. Movies of the recent Plico convention cruise to Bermuda and Halifax will be shown. The company announces that its 1936 convention also will be a six-day cruise on the "Kungsholm" early in August, probably going to Nassau.

Washington National Appointments

The Washington National has made two new general agency appointments. Bradley Tyrrell of Delavan, Wis., will handle northern Illinois and four counties in southern Wisconsin. R. J. Mitchell of Fond du Lac, Wis., will have jurisdiction over 10 adjacent counties. He was formerly with the Travelers, and now operates a multiple line agency there.

Sullivan Outlines Supervisors' Duties

(CONTINUED FROM PAGE 3)

is a detriment to the company and the public, and in the interest of all concerned should be in some other line of business to which he is better adapted.

Superintendent Dugal, who previously was a banker and cost accountant, said discontinued life insurance was of serious social importance. Agencies' turnover, he believe, is a large contributing factor in surrender and lapse.

He reported that in the province of Quebec last year \$14,539,323 was paid out in face amount of policies terminated naturally, while \$295,983,371 was the face amount of contracts terminated in other ways. Of this latter amount \$100,157,149 was by surrender, \$11,331,640 by expiry and \$87,020,052 lapsed. Last year \$20,480,152 was paid out in surrender values. He said a survey shows that of life policies issued during the last eight years only 44.7 percent was still in force at the end of 1934.

Certain restrictions should be placed on the movement of agents from one company to another, to eliminate the floaters. He asked whether the insurance departments should not exercise their authority to a greater degree in making more rigid selection of agents. Company head offices should take a stronger stand in control of agents. It would not take long to build up in the provincial insurance departments enough information to permit them to isolate the agent who transfers frequently.

Garrett Is in Chair

In the absence of the president, Ralph P. Hartley, K. C., of New Brunswick, H. G. Garrett, insurance superintendent for British Columbia, was in the chair.

Ewen McPherson, K. C., Manitoba treasurer, welcomed the conference to Winnipeg, suggesting that overinsurance and compulsory automobile insurance might well be considered. He expressed belief the two questions could be cured without necessity of action by the government. Superintendent Fisher of Saskatchewan stated both questions were down for discussion and invited Mr. McPherson to attend the committee meetings on the subjects.

There was a full discussion of the uniform life insurance act which it was expected would be completed soon. There was also a special report on accident and sickness insurance which was fully discussed from a broad social standpoint.

Hold Dinner for Sullivan

Commissioner Sullivan was guest of honor at a dinner tendered by C. C. Ferguson, general manager of the Great-West Life, at the Manitoba Club Wednesday evening. Among those attending the dinner were W. Rae Blight, Toronto Insurance Conference; Henry Brace, insurance superintendent of Alberta; C. S. V. Branch, vice-president Sun Life of Canada; Eustace Brock, secretary Great-West Life; Allan Brosmith, Travelers, Hartford; Superintendent Dugal, F. G. Dunham, Metropolitan Life; J. A. Ewing, legal adviser Sun Life of Canada; Arthur E. Fisher, insurance superintendent of Regina, Saskatchewan; Superintendent Foster; Superintendent H. G. Garrett, Hugh Harbison, assistant secretary Travelers, Hartford; Superintendent Heath of Manitoba; Harold Hopton, insurance commissioner of North Dakota; George E. Merigold, general attorney Prudential, Newark; G. C. Moore, Imperial Life, Toronto; A. Gordon Nairn, Life Underwriters Association of Canada; W. Stewart Penny, superintendent Canadian agencies, Sun Life of Canada; V. R. Smith, general manager Confederation Life; A. Gordon Ramsay, general manager Canada Life, Toronto.

The Anglo-California Mutual Life has requested the California insurance department to permit it to form a mutual benefit association.

PERSONALS

Commissioner H. E. McClain of Indiana plans to attend the annual meeting of the National Association of Life Underwriters to be held in Des Moines this month.

H. E. Sorensen, general agent at Omaha for the Aetna Life, has been appointed chairman of the insurance division executive committee of the Omaha chamber of commerce, succeeding H. W. Ahmanson, secretary National American Fire of Omaha.

Charles S. Drake, president and founder of the Empire Life & Accident of Indianapolis, died Sunday after a four weeks' illness. He was formerly with the Industrial Life of Georgia. He organized the Kentucky Central Life & Accident. He was active in the Health & Accident Underwriters Conference and the Industrial Insurers Conference.

W. E. Wadhams, New York Life agent at Hastings, Neb., has been accorded first place in Nebraska in the annual sales contest conducted by the company and has been awarded a vacation trip to Saranac Lake, N. Y. This high record also included second place in the first six months for the highest number of paid insurance applications from the entire United States and Canada.

Protest Federal Union Action

CINCINNATI, Sept. 5.—Protesting Federal Judge Nevin's appointment of receivers for the Federal Union of Cincinnati and questioning the jurisdiction of a federal court, the Ohio department has filed an answer asserting that the suit of Jason Williams, an Indianapolis policyholder, was not brought in good faith but had been instigated by company officials to prevent the department from obtaining control of the company. Williams' suit petitioned that a receiver be appointed and that the department be enjoined from taking over the company.

The department threatens to bring action in a state court to obtain the authority to either rehabilitate or liquidate the company. It is claimed that the order for a receivership and exclusion of the department is an encroachment upon the state's rights to have its own courts adjudicate disputes within their jurisdiction, also that statutory provisions authorize the department to take over a company when its financial position becomes unsound. It is contended that the bill of complaint naming state officers as parties to the suit becomes an action against the state of Ohio which is prohibited by the constitution.

Until the case is heard by the court of appeals, the receivers are operating the company. Substantial reductions have been made in the operating costs of the company.

Premiums paid since the appointment of the receivers are being segregated.

Aetna Life at Austin, Tex.

Bascom Lang, in the Littlefield building, Austin, Tex., former agent and assistant manager of the service and conservation department of the Acme Life of Austin, who conducts the Bascom Lang agency, has been appointed agent of the Aetna Life under the Elmer Abbey general agency of San Antonio. Mr. Lang is secretary of the Austin Association of Life Underwriters.

Knox in Charge of Nebraska

John W. Knox, for the past six years general agent at Hastings, Neb., for Franklin Life has been named state agent for Nebraska with offices in Omaha. The Knox Insurance Agency will continue operation at Hastings with Lloyd Ludlow as district agent. A. J. Leonard will continue as agent.

Doing the job....

The world moves on....the Trans-Pacific "Clipper" heads west....the new Golden Gate Bridge raises its towers....American Reserve Life emerges from the depression with assets eight times greater than in 1929. In strength, growth and management American Reserve Life is a leader among the younger companies, offering attractive opportunities to able men who want to grow with a growing company.

AMERICAN RESERVE LIFE INSURANCE CO.

OMAHA, NEBR.

YOURS TO ENJOY

THAT is the title of a de luxe brochure around which Fidelity has built a direct mail work plan with which to supplement its successful lead service. These two workable tools offer an organized plan of work which is unusually resultful.

A Life Income for You

That is the selling theme around which the work plan is built. It is a theme which induces a cordial reception, a fair hearing and substantial business. Fidelity offers, in addition to its Income for Life plan, Family Income, Family Maintenance and an Adjustment plan—all peculiarly suited to today's needs.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

EDITORIAL COMMENT

Maintain Life Insurance Democracy

CUTS in the amount of annuities and investment-type policies that companies will accept, which have been made and which may be further required by the flood of this type of business resulting from pending federal income and estate tax legislation, while effected primarily because of the low level of interest rates have a secondary effect which may well be considered. That is to keep life companies as democratic institutions, the bulwark of the ordinary man's savings rather than a haven of refuge for the dollars of the rich.

Many legislators who are ordinarily willing to tinker with anything out of which they can hope to make political capital are accustomed to sheer off when

it comes to fooling with life insurance. They realize that life insurance is very close to the people and that what harms life insurance to that extent harms its policyholders and beneficiaries. They have no difficulty in seeing that life insurance does vastly more for widows and orphans than, say, a public utility holding company magnate who makes himself many millions of dollars in his activities in the alleged behalf of widows and orphans.

But to keep this unassailable position of public favor, it is obviously necessary to steer clear of any possible accusation that life insurance is a repository for the funds of the wealthy rather than the protection of the great mass of individuals.

Frailty of Mutual Benefit Concerns

ONE cannot read the reports on the examination of mutual benefit concerns in Illinois by the Illinois department without being impressed with the laxity that most of them reveal in the handling of their affairs. In almost every instance the department calls attention to the irregularities in book-keeping and the maintaining of proper records. Furthermore, a complaint is made that the basic principles of the mutual benefit act are often violated in that these outfits do not keep up the minimum amounts required to meet claims. For the most part mutual benefit concerns are started to give somebody a job. Many of them are not found in the telephone directory where they are located. They are small and insignificant. Their assets are for the most part in the neighborhood of \$1,000 upward or downward. Very often these examination reports show that the liabilities are greater than the assets, due particularly to unpaid

claims, a most unhealthy condition.

There is no question more exasperating to the insurance commissioners than the operation of these mutual benefit assessment benevolent organizations that do business by mail throughout the country and yet most of them are irresponsible. They are taking advantage of an economic situation where people desire to save on their insurance. After the claims pile up to a considerable height the promoter abandons the shell and organizes another outfit under a different name. It seems to us that the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS could take up this question and endeavor to find a solution to the problem. Undoubtedly there is need for some inexpensive benefit when people cannot pay the cost of legal reserve coverage. However, the public deserves ample protection. In these days mutual benefit concerns are attracting the gullible and credulous.

Needed: A Positive Attitude

"WANTED—a manager with positive ideas on handling men." So ran a blind advertisement in a recent issue. That word POSITIVE means much. There is no system of handling human beings, and that means salesmen, that is perfect. Engineers can create a machine that will run for hours and days, performing its task and meeting the expectations of its designers. But man is different. His actions are not logical. His intentions are never fulfilled.

One could go on for hours citing examples of the failures of man to do the things he ought to do. When a manager contemplates these frailties of his agents he has a tendency to become philosophical and adopt a complacent attitude. But a successful manager can't do that unless he is an exception, and there are a few. He has to provide his

men with inspiration, imagination and enthusiasm, concentrating them into action. Ideas are important whether they work or not because they at least serve to keep the originator alive and awake to what's going on. The manager who has positive ideas on handling men may be wrong on some points and have to adjust his methods now and then, but at least he is progressing. If a man is going to sell life insurance, he has certain problems and obstacles to overcome. It isn't a question of whether or not he will be able to conquer them, but HOW he will do it.

Study the life insurance sales reports and you will find the national total on ordinary sales about the same as last year. Then study the sales records column for the results of individual companies and agencies and you will find a

startling contrast. Here are sales records far ahead of last year, not gains made because someone happened to buy a large policy, but the result of planned effort. Some managers report that the morale of the agents is especially low at the present time, due to the confusion at Washington. This may be justified, according to one's point of view, but positive action on part of the individual will offset much of this, as the individual records show. Campaigns to secure new prospects, for time control, for the use of special sales approaches and appeals will take the agents' minds

off detracting influences and keep them on the track toward the goal of greater production. Certain plans and methods may not work, the novelty of others may wear out, but new ideas should be adopted to keep enthusiasm and interest at a high pitch.

Furnish your men with something new to do, something new to say and with someone new to see and you will get new business. Get them out of that languid attitude of doing the same old thing in the same old way and calling on the same old prospects, telling them the same old story.

Don't Want An Anaesthetic

IN A recent talk, E. B. THURMAN, Chicago general agent NEW ENGLAND MUTUAL LIFE, in speaking of the great federal project to alleviate human distress and to take care of the aged, disabled, crippled and blind, said that while people are in sympathy with all humanitarian movements, this country has a type of people whose characteristics, inheritance and

traditions rebel at being soothed into sleep through artificial methods. The citizens of the United States, he declared, are not in any frame of mind to step aside and let the government carry out their personal program. As Mr. THURMAN graphically put it, "human nature rebels against the anaesthesia of state indulgence."

PERSONAL SIDE OF BUSINESS

Mr. and Mrs. John H. Milliken of Denver have sent invitations to the marriage of their daughter, Rose, to Donald F. Kinney of Denver. Mr. Kinney is correspondent for THE NATIONAL UNDERWRITER. The wedding will be Sept. 11.

Dr. E. J. Wilson, one of the organizers of the Midland Mutual Life and its active medical director for more than 20 years, died at his home in Columbus, O., at the age of 82. He had been an invalid for several months. His influence in the company is seen by the fact that the mortality of the Midland Mutual has averaged only 40 percent of the expected since organization.

M. J. Cleary, president Northwestern Mutual Life and head of the Milwaukee Community Fund, has been selected for outstanding interest and service in civic and welfare work for appointment to the National Citizens Committee of the 1935 Mobilization for Human Needs, to be held in Washington, D. C., Sept. 23-24.

W. E. Talbot of Dallas, vice-president and agency manager of the Southland Life, is interested in some of the enterprises that are using annuities as prizes. He does not know whether he originated this plan or not but in August 1933, he submitted to Warner Brothers, who had produced at that time "Forty-second Street" and the "Gold Diggers," a scheme whereby they might encourage attendance and interest in these pictures. They were trying to revitalize them and they were interested in Colonel Talbot's suggestion. Their legal department, however, informed them that they could not do it under the law. Then Colonel Talbot came into prominence last September when he suggested to President Roosevelt an annuity proposition. The plan provided for selling \$1 coupons through the postoffice serially numbered. On receipt of \$5,000,000 a particular pool would be closed. The plan was to de-

duct \$500,000 for government expense leaving a balance of \$4,500,000. There would be drawn 203 names and this fund would give the fortunate ones an income of \$100 a month for their life time. His plan for the Warner Brothers was to offer an annuity for those who witnessed the plays between certain dates and submitted a 50 word reason for their preference.

M. H. Ridges, Salt Lake City, blind solicitor for the New York Life, has won first place in a nation-wide contest in sales for sightless employees of that company. Mr. Ridges, who has been with the New York Life four years and is the youngest salesman in point of age and of experience to place in the national ratings, won first place both in volume of business sold and the number of applications written. He competed against 51 other sightless agents of the company in the United States and Canada.

Jay G. Sigmund, vice-president of the Cedar Rapids Life, has published the third volume in a series of limited editions of short stories. Mr. Sigmund is a poet as well as a story writer. The book is printed from hand set type on fine ivory tinted paper. The edition is limited to 350 autographed copies, the price being \$2.75.

E. P. (Colonel) Boggess, vice-president American Life & Accident of St. Louis, on August 17 was married to Miss Flora M. Gibson of his city.

Oliver Thurman, vice-president and superintendent of agencies of the Mutual Benefit Life, is recuperating from a very severe operation that he underwent in a hospital at Madison, N. J. Mr. Thurman submitted to a number of tests and finally when the operation was performed it was shown that his appendix was infected and there were other parts of the region that had to be repaired.



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He is now getting along in good shape although it will be some weeks before he will be fit for work.

R. Dunham Braman, who for four years has been in charge of the claim division of the Connecticut insurance department, has resigned to enter the claim department of the Connecticut General Life head office. He is a nephew of Col. H. P. Dunham, former Connecticut commissioner. He is a graduate of Amherst and the Hartford Law School.

Sam A. Erickson of Mankato, Minn., general agent of the Northwestern Mutual Life in southern Minnesota, calls attention to the fact that R. P. Elliott of Rochester, Minn., whose cut was run in THE NATIONAL UNDERWRITER last week, showing him in an automobile, in his very afflicted state and carrying on in life insurance in a remarkable way, is district agent of the company. It was

stated in the article that he was with the Equitable of New York. He was with the Equitable and more than a year ago he transferred to the Northwestern Mutual.

Platt Whitman, former Wisconsin insurance commissioner and now president of the State Bank of Highland, Wis., who recently went to the Mayo Clinic at Rochester, Minn., for observation, has returned to his home for a rest and physical building up preparatory to returning to Rochester for a major operation.

Bradford H. Walker, president of the Life of Virginia, was one of the judges at the annual rowing of the middle states regatta held on the historic James at Richmond. He is a member of the Virginia Boat Club which participated in the regatta. He is an expert oarsman but did not take part in any of the events.

NEWS OF THE COMPANIES

Receivership Action Brought

Department Acts to Close Up the Missouri National, a Stipulated Premium Company.

Insurance Superintendent O'Malley of Missouri has been authorized by the circuit court at St. Louis temporarily to take charge of the Missouri National Life, a small stipulated premium company. A hearing was held Tuesday on Mr. O'Malley's petition to have the Missouri National declared insolvent and dissolved. A recent examination by the Missouri department showed the company impaired. Liabilities were listed at \$71,245 and net assets \$39,002. The company was organized in 1928.

The report of the Missouri department showing condition as of Dec. 31, 1933, reported the Missouri National has capital \$26,205, total income \$50,306, claims paid \$6,197, total disbursements \$35,857, assets \$47,517, surplus \$4,174, insurance in force \$1,902,548.

E. W. Fix has been the president of the Missouri National. J. L. Ivanhoe, vice-president, has been an important factor. Recently the company purchased a building at 3929 Olive street in St. Louis.

The Missouri National has attracted attention, because it submitted bids for the reinsurance of several of the failed companies.

Mr. O'Malley charged the company had violated its charter provisions and the Missouri statutes by "illegally selling stock without proper authorization."

The company was incorporated in 1928 and licensed on the assessment plan. In 1929 it was reincorporated on the stipulated premium plan. It was originally domiciled in Jefferson City, and at one time was located at Independence.

Valuation of Home Office Building

Mr. Fix, in commenting on the suit, said he took charge of the company about four months ago, succeeding his brother, H. F. Fix and others.

"The business was in bad shape at that time, and I called upon Superintendent O'Malley and he told me to run the company for six months," Mr. Fix said. "I have put about \$9,400 of my own money into the company since that time, all of the current bills are paid up, and, in my opinion, the company is in better shape than it had been for a long time. I don't understand O'Malley's action in filing the suit since he told me I could have six months to work it out."

P. B. McHaney, attorney for the department, after the receivership suit had been filed, told Mr. Fix if the impairment can be made up in cash or sound securities the suit would be dropped.

The major difference is the valuation on the home office building, which the

company seeks to carry at \$54,000 but which the department values at \$22,000. The company's insurance includes \$1,500,000 of industrial and \$183,932 of ordinary life as of Dec. 31, 1934.

Vice-President Johnson of Equitable of Iowa Retires

DES MOINES, Sept. 5.—Griff Johnson, 75, was retired as vice-president and assistant treasurer of the Equitable Life of Iowa. He will retain his membership on the board of trustees. No successor will be named for the present.

During his 25 years affiliation with the company, Mr. Johnson headed the investment department and was an authority on farm investments. He graduated from Simpson college, Indianola, Ia., in 1882. For five years he worked as an abstractor of titles and studied law. In 1887 he was admitted to the Iowa bar. Then followed a number of years service with the Northwestern Mutual Life in its real estate investment department. In 1911 he joined Equitable and was assigned to the real estate investment department.

Takes Over Two Companies

Commissioner Read of Oklahoma has approved contracts by which the Republic Life of Oklahoma City assumes all assets, liabilities and outstanding business of the Duncan Life & Accident, of Duncan, Okla., and the Altus Life & Accident, Altus, Okla.

Drive for Brandt

The field force of the Ohio State Life has launched a campaign in honor of President U. S. Brandt closing Oct. 31. The winning agency will get the President's Trophy.

Taylor Agency Supervisor

Ben Taylor, regional supervisor of the Central Life of Iowa at Cedar Rapids, Ia., has been named supervisor of agencies with headquarters in Des Moines.

Six Months Results Given

The National Life & Accident reports new paid-for business in the first six months of 1935 \$93,843,756 as compared with \$104,531,312 last year. There was an increase of insurance in force of \$29,951,954 as compared with \$37,383,555 on July 1, 1934. Total insurance in force as of June 30, 1935 was \$427,114,429.

Kentucky Home Progressing

The Kentucky Home Mutual Life of Louisville is reported to be making satisfactory progress since it mutualized a few months ago.



OUR 30TH ANNIVERSARY

will be celebrated at The Homestead, Hot Springs, Virginia, in July 1936.

Before that date the Midland Mutual Life will have paid its policyholders and their beneficiaries \$30,000,000. This sum plus admitted assets held for future payments will approximate the total premium payments by policyholders — \$55,000,000 — since policy number one was issued to its first president, the late Dr. W. O. Thompson.

The Midland Mutual Life Insurance Company
Columbus, Ohio



North Carolina

R. S. PLUMMER, for many years a successful Supervisor for this Company in Philadelphia, is returning to his native North Carolina. Mr. Plummer will have openings for General Agents in several North Carolina cities (Charlotte excluded.)

*Philadelphia Life Insurance Company
111 N. BROAD STREET PHILADELPHIA, PA.

Equality of Opportunity

is the basis upon which the Agency Contract is founded.

Square deal

Automatic Promotion

is provided for the man who forges ahead as a personal producer or as an agency builder or as both.

For details regarding the Agency Contract, address

Square deal

Agency Openings
in Wisconsin,
Ohio, Minnesota,
Iowa.

Gardian Life
Insurance Company

Home Office—Madison, Wis.

Opportunity for managers in Desirable Territory

FOR qualified men there is a liberal and profitable manager's contract. The men chosen will work under the direct supervision and assistance of the Home Office. They will be given every possible help to insure their success with this strong 30 year old company.

This company writes all complete and modern forms of life insurance at a low net cost. Policies include participating, non-participating, disability and double indemnity.

If you are interested in a manager's contract that offers a real opportunity write

S. M. Cross, President
Columbia Life Insurance Co.
Cincinnati, Ohio

LIFE AGENCY CHANGES

Two New Managers Named by Fidelity Mutual Life

The Fidelity Mutual Life has appointed Zach A. Coles manager at Nashville, Tenn., and Lewis B. Burwell, Jr., Charlotte, N. C., manager. Mr. Coles is a graduate of the Vanderbilt University's law school, class of 1927, but his entire business life has been spent in the selling field. He joined the Equitable Life in 1931 as an agent and was made a district manager the following year. Early in 1935 he became associated with the Pacific Mutual which post he has resigned to take his new position.

Following his graduation from the University of the South at Sewanee, Tenn., Mr. Burwell spent nearly two years in the United States Army aviation corps stationed at San Antonio, Tex. In 1929 he became an agent for the Penn Mutual and has since been associated with that company in Charlotte. Mr. Burwell's offices are located at 515-17 First National Bank building.

Bainard Is Brandon Manager

B. E. Bainard has been appointed branch manager of the Great-West Life in Brandon, Can. For the past four months he has been acting branch manager and for the seven years previous was connected with the Winnipeg agency. He succeeds R. H. Wright, who recently resigned owing to ill health.

Sun Life Appointments

The Sun Life of Canada has appointed J. F. H. Wallace manager at Ottawa. Mr. Wallace was manager at Peterborough, Ont., from 1922 to 1932, and for three years has been in charge of Montreal Mansfield branch. He is succeeded at the latter post by K. Y. Stanton, who has been a successful producer for 26 years, averaging \$258,000 a year. His father, J. C. Stanton, was manager of the company's Montreal branch for 25 years.

Central Life Appointments

Five recently appointed general agents of the Central Life of Iowa are: George A. Pickel, Portland, Ore.; James S. Bruce, Spokane, Wash.; Louis J. Manetsch, Seattle; Howard E. Gordon, Decatur, Ill., and George F. Pezdirtz, Omaha.

Furniss Agency Organizer

Louis C. Furniss has been appointed agency organizer for the Mutual Life of New York at Grand Rapids, Mich., under Manager H. W. Spence. Mr. Furniss was formerly associate general agent for the State Mutual Life in California and for the last two years has been Michigan general agent for the same company with headquarters at Lansing.

Ogden Is Oregon Manager

W. E. Ogden, formerly Fresno manager of the Occidental Life, has been transferred to Portland, Ore., succeeding M. E. Smead. Mr. Ogden will be state manager. Mr. Ogden will be succeeded in the Fresno district by Frost Whalen, formerly supervisor of the Occidental Life in that territory. Mr. Smead will engage in personal production in Portland.

Opens Sioux City Branch

S. C. Woodard of Des Moines, general agent of the New England Mutual in Iowa, is opening a branch office in Sioux City, with three agents joint managers. They are Ralph Henderson, agent in Sioux City for 12 years; Ross Beckman, formerly with the Northwestern Mutual eight years, and recently

with the Pacific Mutual, and John Zuparn, formerly of the Pacific Mutual.

Opens New Life Department

The Street Agency of Boston has opened a life insurance department as metropolitan agency of the Mutual Trust Life of Chicago. John H. Taylor, who has been with the Mutual Trust Life the past four years, two years as assistant manager in Boston, will be in charge of the new department.

Oglesby with Protective Life

Robert Oglesby has been appointed manager of the Asheville, N. C., agency of Protective Life, Birmingham, to succeed J. J. Finley Cowling. Mr. Oglesby joined Protective Life as a part-time agent at Prattville, Ala., in April, 1932. At that time he was a partner in the firm of Gaddis & Oglesby. He moved from Prattville to Troy, Ala., where he established the Trojan Agency.

Form New Augusta Agency

H. P. Hendee and M. C. Vaiden, who operated the life department of the Southern Finance Corporation in Augusta, Ga., have resigned to form the Hendee & Vaiden agency and will represent the Travelers.

ACCIDENT—HEALTH

Mutual Benefit's New Form

The Mutual Benefit Health & Accident of Omaha has issued a new form known as its "Triple Coverage Emergency Policy" which is an accident and sickness medical reimbursement contract. It has principal sum provisions for loss of life and sight. The contract pays \$3 per day, hospital indemnities for total of 60 days with a \$10 operating room reimbursement provision, \$5 anesthesia reimbursement, \$3 x-ray reimbursement, and laboratory, \$1.50.

The schedule of operations pays stated amounts for 62 specified operations. The policy is in force 15 days from its date except for tuberculosis, heart trouble and hernia benefits which are covered only if originating after the policy has been in continuous force for six preceding months. The quarterly premiums are \$4 except first, which is \$5. The contract is sold to men and women. This company has not issued a reimbursement contract heretofore.

Travelers New Policy

The Travelers has issued a new accident policy Form-R (7) with provisions that are the same as its "Modern Accident Policy Form-R (1)" except that it does not have payment for partial disability or double indemnity provision. Rates for \$25 weekly indemnity and \$500 reimbursement range from \$22.25 to \$42.25. This coverage was formerly issued by means of attaching a rider to its Form-R (1) but the issuance of new contract eliminated the necessity of using the rider.

Try to Collect Premiums

COLUMBUS, O., Sept. 5.—The Ohio insurance department has been informed that a number of persons who had taken out policies in the Fidelity Mutual Association, a life, health and accident organization of Minneapolis, have received from collecting agencies letters threatening suit if they do not pay the remainder of their premiums. Neither the company nor its agents are licensed in Ohio.

New quarters of the Occidental Life in Oakland, Cal., comprising the entire eleventh floor of the Bank of America building, are now being occupied by G. T. Carmona, manager. A formal opening is being planned for Sept. 15.

LIFE COMPANY CONVENTIONS

Meeting at Signal Mountain

Convention of the Life Agents of the Provident Life & Accident Well Attended

The Provident Life & Accident of Chattanooga held its annual life insurance agents' convention at Signal Mountain. President R. J. Maclellan presided at the opening banquet the first evening. Vice-president R. L. Maclellan presented certificates and pins to those who qualified for the agency clubs. Silver cups were presented to Vice-president and Secretary W. C. Cartinhour; J. L. Dawson, the leading producer and president of the Century club, and to T. F. Foley, who had the best persistency record. Dr. D. W. Daniel of Clemson College, S. C., was the speaker of the evening and took as his subject, "Building Better Business."

R. L. Maclellan's Talk

On the next morning delegates were welcomed to Chattanooga by Eugene Bryan, mayor pro tem. Vice-president Maclellan gave a talk on "The progress of the life department." He said that the insurance in force had been increased by 70 percent since 1929.

Fieldmen speaking were E. A. Martin, assistant general agent, Chattanooga, on "The Value of a Budget"; C. F. Dicken, general agent, Huntington, W. Va., "Salary Savings"; Dr. J. G. Mayton, general agent, Houston, "Life Insurance in the Light of Present Economic Conditions"; P. M. Ray, general agent, Chattanooga, "Use of Optional Settlements"; Cameron Brackney, general agent Knoxville, "Underwriting for Persistency"; John L. Kelly, general agent, St. Louis, "Prospecting"; James L. Dawson on "The Sale of Salary Savings Insurance"; and Walter F. Going of the Going Life Agency, Columbia, S. C., on "What I Think of the Provident."

Home Office Men Heard

On the next day the business session opened with the topic, "A Day with the Home Office," presented by Vice-President R. L. Maclellan, Dr. C. R. Henry, medical director; K. B. Piper, secretary-actuary, life department; Llewellyn Chapman, agency secretary, and Sam Miles, home office supervisor. The first part of this session was devoted to dramatizing a day at the home office. This consisted of actually underwriting a few cases, the conservation plans, new record forms, and a discussion of the proposed change in rates soon to be announced. These suggestions were portrayed in an original playlet prepared by the officials of the life department. This was followed by a talk on the financial position of the company by Executive Vice-President W. C. Cartinhour, who brought out the fact that it now has a ratio of \$1.39 of assets for each \$1 of liabilities, placing it in an extremely favorable financial position. President R. J. Maclellan closed the last business meeting summarizing the convention. Members of the Chattanooga Association of Life Underwriters were guests at luncheon, the principal speaker on this occasion being the General Counsel John A. Chambliss. On behalf of the fieldmen, C. F. Dicken presented Vice-President Robert L. Maclellan with a handsome Gladstone bag in appreciation of a most constructive and enjoyable convention.

Pacific Mutual Meeting Plans

President George I. Cochran heads the group of home office executives of the Pacific Mutual Life who expect to attend the annual meeting of the company's agency association in Des Moines Sept. 16-17. Other officers accompanying President Cochran on the

trip are D. E. C. Moore, vice-president; D. C. MacEwen, vice-president and superintendent of agencies; Cary Gorton, vice-president; Jens Smith, junior vice-president; John Newton Russell, agency adviser; Oscar Swenson, assistant actuary, and Floyd Forker of the agency department. Mr. Moore will preside as toastmaster at the dinner.

Atlantic Life Meetings

President A. O. Swink and other officials of the Atlantic Life will address meetings of agents at Richmond, Sept. 10; Washington, Sept. 11; Staunton, Sept. 12; and Roanoke, Sept. 13. Other officials who will talk are W. H. Harrison, vice-president and superintendent of agencies; Dr. Frank P. Richter, medical director; and R. G. Richards, agency secretary. Baltimore agents of the company will attend the Washington meeting.

Jaeger Tells of Gains

Improved general business conditions are being reflected in life insurance sales statistics, W. W. Jaeger, vice-president of the Bankers Life of Iowa, told a group of mid-western agents at a meeting in Des Moines. About 35 attended the day and a half conference for discussions on fall sales campaigns. Mr. Jaeger said the Bankers Life's sales for each month of 1935 had showed gains and the August increase is more than \$1,000,000.

Riehle Leaders Gather

An educational conference is being conducted Friday, Saturday and Sunday of this week in Atlantic City by the Riehle agency of the Equitable Life of New York in New York. The qualifiers number 41. The sessions will be in charge of T. M. Riehle, president of the National Association of Life Underwriters.

Equitable Agents Meet

The regional conference of the northern California agencies of the Equitable Life of New York was held at Del Monte, Cal., with representatives of the A. W. Carne, J. A. Sullivan and Peter Murman agencies in attendance.

The Kellogg Van Winkle and A. A. Dewar agencies of the Equitable Life of New York in Los Angeles will hold a joint regional educational conference at San Diego Sept. 6-8, with about 130 delegates in attendance, qualifying by certain paid production of business.

A. G. Borden, second vice-president, and Gage E. Tarbell, senior director, will represent the home office. W. O. Hearsey, regional group manager, and W. H. Glines, superintendent western division, San Francisco, will also attend.

Hewitt Announces Texas Meet

The Texas sales conference of the Northwestern National Life will be held at Camp Waldemar, Kerrville, Tex., Sept. 8-12, according to Homer G. Hewitt, Texas manager. Home office representatives will be on the program.

Texas Investigators Named

DALLAS, TEX., Sept. 5.—R. N. Snakard, Fort Worth, and F. Morris Ford, Galveston, have been named by Commissioner R. L. Daniel to investigate violations of the life insurance agency laws of Texas. The appointment was announced by the commissioner under the provisions of recently enacted legislation. Commissioner Daniel has asked life underwriters associations and the companies to cooperate with the investigators with a view of minimizing law violations and bringing protection to the insuring public. The investigators will visit various cities and will endeavor to straighten out reported violations and, failing to do so, will prosecute under the recently enacted laws.

MUTUAL TRUST

LIFE INSURANCE COMPANY



A MUTUAL FULL LEVEL PREMIUM RESERVE COMPANY WRITING PARTICIPATING INSURANCE ONLY AND AT ALL AGES (MALE AND FEMALE) FROM BIRTH TO AGE 65.

Operates East and West

More than 30% of the Company's insurance in force is in the six New England States, and more than 40% of its new business now comes from Eastern territory.

During 1934

Assets increased	3.77%
Gross surplus increased	9.11
Net rate earned on assets	4.2
Actual to expected mortality	45.8
Lapse ratio	10.9
Average premiums (\$)	32.97

MEN WHO BELIEVE THEY HAVE GENERAL AGENCY QUALIFICATIONS MAY OBTAIN FULL PARTICULARS BY ADDRESSING THE AGENCY DEPARTMENT.

AMERICAN CENTRAL LIFE

INSURANCE
COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

● Agency contracts particularly designed to give maximum compensation for quality business and so drawn that renewal results in a steadily pyramiding income for the man or woman who is looking for a permanent connection.

SAKAKA-WEA



Sakaka-Wea symbolizes the principles of PROVIDENT LIFE

Each year brings greater public reverence for the courageous Sakaka-Wea who blazed the trail to the Pacific for the Lewis and Clark Expedition.

Sakaka-Wea's great strength, vision, and willingness to serve, so typify the principles which Provident Life set for itself, that since the company's organization in 1916, Sakaka-Wea has been its trademark. Just as Sakaka-Wea was determined to reach a definite goal, so Provident Life has gone forward to greater success in each of its 19 years.

Provident welcomes contact with prospective policyholders and progressive agents alike.

PROVIDENT
LIFE INSURANCE CO.

Bismarck, North Dakota



STABILITY

A FIELD MAN'S COMPANY

Founded by a "Field Man," agency considerations have always been a motivating force in The Great-West Life Assurance Company. This appreciation of the problems of its field men, and the continual furnishing of new and adequate support to meet changing conditions, have built up a continent-wide sales organization with an outstanding record of progress. In the short period of 43 years since its inception, The Great-West Life has achieved business-in-force of nearly \$600,000,000, protecting 250,000 policyholders.

*Life Underwriters' Convention, Des Moines, Iowa.
Week of September 16th.*

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE...WINNIPEG, CANADA

NEWS OF LIFE ASSOCIATIONS

Two Cities Trade Speakers

**Finger of Pittsburgh to Give Cleveland
Talk and Schumacher of Cleveland
Goes to Pittsburgh**

The Cleveland Life Underwriters and the Pittsburgh association will hold exchange meetings Sept. 13. Ray H. Finger, manager of the Sun Life of Canada at Pittsburgh, will address the Cleveland association on "Sell Life Insurance as Income and Investment." Formerly Mr. Finger lived in Cleveland, being connected with the old Cleveland Life.

George Schumacher of the Massachusetts Mutual Life at Cleveland and second vice-president of the Cleveland association will go to Pittsburgh and give an address on "Monthly Income." He has been in the business 16 years and is one of the leading producers in Cleveland. His average production has exceeded \$750,000 and for the last 10 years he has been a member of the Million Dollar Round Table.

Spencer, Ia.—The organization of a new local life association will be perfected Sept. 21. A. H. Avery, Spencer, is temporary president, and Miss Helen Sievers, Estherville, is temporary secretary.

Detroit—The first of the fall series of educational clinics will be held Sept. 9 with Guy A. Reem, general agent State Mutual and president Associated Life General Agents & Managers, acting as chairman.

Similar clinics will be held every two weeks during the fall months with a different chairman. Mr. Reem will conduct a session on prospecting at the opening of the series. Among the speakers will be Alberta Stutsman, who is conducting a direct mail prospecting campaign for the Massachusetts Mutual, and Staff Hudson, Aetna Life, who will talk on developing prospects through cold canvass. Many of the general agents and managers plan to use the clinics in place of their usual Monday conferences.

Iowa City, Ia.—A breakfast meeting will be held Sept. 7 to complete plans for participation in the annual convention of the National association in Des Moines. The convention program will be outlined and a review given of last year's meeting in Milwaukee.

Fort Wayne, Ind.—E. B. Stevenson, Jr., vice-president National Life & Accident, will address the first fall meeting Sept. 26.

Cleveland—An association golf meet will be held Sept. 6. The winning agency team will obtain possession of the association plaque for one year.

Boston—"What a national convention of life underwriters means to the individual underwriter" was the topic of the first fall meeting this week. Paul F. Clark, general agent John Hancock in Boston, chairman of the committee seeking the 1936 convention of the National association for Boston, was the principal speaker. Representatives of local associations throughout New England also contributed to the program.

Warren, O.—E. W. Bralley, Cleveland general agent New England Mutual Life, spoke on "Putting First Things First This Fall."

Augusta, Ga.—Commissioner Sam B. King of South Carolina will speak at the meeting Sept. 7. Life underwriters from Macon, Savannah, Atlanta and Columbus, Ga., and Columbia and Greenville, S. C., will attend.

San Francisco—Talks by Dr. S. S. Huebner, dean of the American College of Life Underwriters, and a sales clinic, featured Huebner Day. Speakers on the clinic program were: Miss A. V. Small, Phoenix Mutual. "Developing Prospects Through an Organized Working Sys-

tem"; William Yuvan, Equitable Life of Iowa, "Approaching Through a Salesman"; Howard O. Lisle, Provident Mutual, "Creating Desire Through Motivation"; William V. Power, Aetna Life, "Getting Action. The Payoff"; Forrest J. Curry, Penn Mutual Life, "What It Takes to 'Go to Town' in Life—or Any Other Year."

Dallas, Tex.—Membership increased from 167 to 200 in the past year, it is announced by R. B. Shields, president. The membership of the Texas association increased 431 in the same time and now totals 1,148.

The Dallas association plans to bring its membership to 250 this year, while the state organization is shooting for the 1,500 mark.

Denver—The Colorado association has established a headquarters office in the United States National building, with Miss Gladys Weiden secretary-in-charge. All board and committee meetings will be held there. Guy Hobson has been made chairman of the committee in charge of strengthening the association. Next monthly meeting is a breakfast session Sept. 11, with Dr. S. S. Huebner as the attraction.

INDUSTRIAL

John Hancock Veteran Dies

Daniel J. Sweeney, district manager of the Brooklyn 4 agency of the John Hancock Mutual, died at the age of 74 after an illness of several months. In June of this year he celebrated the 45th anniversary of his service with the company. He started in the Lowell, Mass. office and then after experience at Providence, R. I., and Woonsocket, R. I., was made district manager at South Framingham, Mass., in 1894. Then he became manager of the Providence office, serving 10 years, then being transferred to Philadelphia 3 and later to Brooklyn 4. That district was one of the largest offices of the company. In 1929 Brooklyn 4 won the president's trophy.

Time to Push Juvenile

In last week's issue Morris Levy, Western & Southern Life manager in Chicago, was quoted as saying that the sale of juvenile insurance on school children should be held up until three weeks after school had started. However, he did not mean that selling efforts should be discontinued but that the period following the three weeks was an especially opportune time to push juvenile insurance.

E. J. Ranson Dies

Edward J. Ranson, president of Ranson Industrial Life of New Orleans, is dead at the age of 63 years.

Capitalizes on Accidents

Agents should never pass up an opportunity to capitalize on accidents in the neighborhood, especially if a policyholder has been hurt. For a week after the serious street car accident on the southwest side of Chicago in which two passengers were killed and 80 injured, W. H. Keidel, manager of the Monumental Life, had his men lay especial emphasis on this accident, many of them carrying clippings, although that was hardly necessary as the accident was played up so much in the newspapers that every one knew of it. Inasmuch as the accident was in the neighborhood and many of the people were known to the prospects, it had a beneficial effect on the district's business.

Victor Collins Is Dead

Victor F. Collins, president of the People's Industrial Life, New Orleans, a Negro company, is dead. He had been with the company for 20 years.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Offers Participating Series

California-Western States Life Now Issuing Five New Contracts; Dividends Are Shown

A series of participating policies available for the first time to agents of the California-Western States Life, was announced by President O. J. Lacy and Vice-president Ray P. Cox at the Victoria, B. C., convention of the El Capitular Club. These contracts are ordinary life, 20 pay life, endowment at 65, preferred risk ordinary life (a participating endowment at age 90 with minimum policy \$5,000) and a preferred risk ordinary life at age 96 (participating endowment at age 96 with minimum policy \$10,000).

Rates at quinquennial ages for the new contracts are:

Participating Rates

Age	O. L.	20 Pay	End 65	Spec. Pref. Risk O. L.
20.....	\$18.05	\$26.29	\$20.19	\$17.51
25.....	19.91	28.45	23.11	19.35
30.....	22.48	31.16	25.17	21.90
35.....	25.98	34.68	28.25	25.38
40.....	30.65	39.11	32.88	30.00
45.....	36.99	44.83	38.27	36.27
50.....	45.74	52.44	44.89	41.57
55.....	57.70	62.56	56.61	52.17
60.....	74.79	77.53	73.21	67.11
65.....	98.25	95.60

Dividends

Ordinary Life

Age	1	5	10	15	20
20.....	1.96	2.15	2.54	3.91	5.09
25.....	2.12	2.33	2.86	4.23	5.56
30.....	2.34	2.58	3.28	4.69	6.09
35.....	2.53	2.79	3.72	5.31	6.78
40.....	2.76	3.07	4.30	6.15	7.68
45.....	3.15	3.53	5.01	7.05	8.71
50.....	3.67	4.13	5.96	8.26	10.09
55.....	4.60	5.18	6.90	9.78	12.08
60.....	5.18	6.30	8.14	11.85	14.07
65.....	6.82	7.79	9.75	14.61	18.51

20 Pay Life (End at 85)

Age	1	5	10	15	20
20.....	1.35	1.76	2.66	4.58	6.29
25.....	1.46	1.91	2.90	4.95	6.76
30.....	1.59	2.10	3.20	5.41	7.36
35.....	1.81	2.39	3.61	6.00	8.09
40.....	2.09	2.76	4.13	6.74	9.02
45.....	2.51	3.25	4.76	7.60	10.05
50.....	3.06	3.89	5.60	8.74	11.41
55.....	3.85	4.78	6.67	10.12	13.00
60.....	5.00	6.03	8.13	11.99	15.24

Endowment at 65

Age	1	5	10	15	20
20.....	1.86	2.08	2.67	4.14	5.45
25.....	1.93	2.23	2.91	4.62	6.07
30.....	2.04	2.45	3.26	5.30	6.93
35.....	2.14	2.63	3.70	5.98	8.05
40.....	2.25	2.88	4.29	7.15	9.61
45.....	2.51	3.26	5.12	8.56	11.62

Preferred Risk O. L.—End 90

Age	1	5	10	15	20
20.....	3.21	3.40	3.79	4.85	5.40
25.....	3.27	3.48	4.01	5.10	5.79
30.....	3.39	3.63	4.33	5.48	6.35
35.....	3.68	3.94	4.87	6.17	7.07
40.....	4.01	4.32	5.55	7.09	7.99
45.....	4.50	4.88	6.36	8.07	9.05
50.....	5.12	5.58	7.41	9.35	10.45
55.....	6.30	6.83	8.60	11.06	12.51
60.....	6.93	8.05	9.89	13.16	14.51
65.....	8.82	9.79	11.75	16.11	19.01

Special Preferred Risk O. L., End 96

Age	1	5	10	15	20
21.....	3.07	3.33	3.66	3.99	4.32
25.....	3.09	3.40	3.78	4.17	4.55
30.....	3.22	3.59	4.06	4.53	5.00
35.....	3.48	3.93	4.49	5.06	5.62
40.....	3.56	4.09	4.76	5.43	6.10
45.....	3.68	4.31	5.09	5.88	6.66
50.....	3.87	4.59	5.48	6.38	7.27
55.....	4.48	5.28	6.28	7.27	8.27
60.....	5.37	6.25	7.36	8.47	9.57

Ohio State Life

The Ohio State Life has adopted a new family income rider to be attached to its principal policies. It will be in the form of a 10, 15 or 20 year term policy and will be used to pay a special monthly income while the assured's children are under age.

Dr. Rockwell's "Functions of Life Insurance" offers a most detailed and complete treatment of the service and uses of life insurance. Price, \$1.50. Order from The National Underwriter.

Juvenile Rates Announced

Berkshire Life Brings Out Life and Endowment Series; Issues Payor Clause

Rates and values are announced for the complete line of juvenile policies brought out by the Berkshire Life. The Berkshire is one of the comparatively few companies in the juvenile field. The policies are issued at ages one day to nine years inclusive, on the whole life, 20-pay, endowment at ages 18 and 19, and straight 20 year endowment plans. Death benefit is graded, reaching ultimate amount on the policy anniversary on which the assured attains age 5 nearest birthday. The policies contain all essential provisions included in regular contracts, including paid-up and cash values, extended term insurance, policy loan provision and several settlement options which appear in the regular contracts. They are participating upon payment of second year's premium.

An important factor in juvenile insurance is carrying out the purpose of the insurance in case the adult applicant is unable to pay the premium, due to death or otherwise. The Berkshire will issue the payor clause which waives premium until the child reaches age 21, in case of adult applicant's death or will issue a clause covering against death or total and permanent disability of applicant occurring prior to age 55, waiving the premium. The waiver provisions will be issued up to age 50 in case of the disability benefit and up to age 60 for the death benefit. No disability benefits will be issued to women applicants, but the provision for waiver of premium in event of death will be issued to such of them as are acceptable risks for life insurance.

Maximum amount of insurance that will be issued on children is: Ages under five years, \$2,000; five years and over, \$5,000. The Berkshire will issue additional insurance up to \$5,000 on the life of the adult applicant if an acceptable risk. It is expected that the child's father, who is normally the applicant, will if insurable carry an amount of insurance substantially in excess of that taken on the child's life. Rates for the juvenile policy are:

Age	O. L.	20 Yr. End.	End. 18	End. 19
0.....	\$14.82	\$48.26	\$53.97	\$50.96
1.....	14.86	48.82	58.18	54.70
2.....	14.83	48.81	62.22	58.26
3.....	14.72	48.52	66.47	61.96
4.....	14.61	48.15	71.24	66.07
5.....	14.50	47.73	76.71	70.74
6.....	14.41	47.32	83.14	76.18
7.....	14.44	47.06	91.00	82.78
8.....	14.55	46.93	100.47	90.79
9.....	14.72	46.89	112.66	100.57

AS SEEN FROM CHICAGO

McCONKAY WITH MEYER

T. M. McConkay recently formed a connection with the Julius H. Meyer agency of the New England Mutual Life at Chicago, as brokerage contact man. Until a few months ago he was connected with the Retail Credit Company. He takes over part of the functions of Eric Ohman, who has joined the S. C. Woodard agency of the New England Mutual in Des Moines. Mr. Ohman also acted as supervisor in the Meyer agency but a successor has not yet been appointed to conduct that activity.

INSURANCE INSTITUTE LUNCHEON

W. J. Graham, vice-president of the Equitable Life of New York and president of the Insurance Institute of America, and E. R. Hardy of New York City, secretary of the institute and its manager, will be in Chicago next Monday to talk before a group of insurance people about the work of the institute and its educational course. They will be guests of the institute. C. M. Cartwright of THE NATIONAL UNDERWRITER will preside at the luncheon to be held at the Union League Club. The educational committee consists of A. T. Graham, Benj. Richards, manager of the Underwriters Service Association, and T. A. Neale, chief engineer of the Chicago Board of Underwriters. The officers of the institute desire to stimulate more interest in the educational work in Chicago. It has been lagging in that city, although in many other centers there have been a comparatively large number taking the course.

BESSER AGENCY IN DINNER

The E. E. Besser general agency of the Lincoln National Life in Chicago held its annual agency outing at Evergreen Golf Club near the city, Jack Carroll, superintendent of agencies of the Lincoln National, being the honored guest. Mr. Carroll was presented a tin loving cup especially manufactured for the occasion, and also was awarded a rubber snake as an alibi for his score on the seventh hole in the golf tournament when it was alleged he required 14 strokes. Seven strokes were deducted on the theory he was killing a snake.

Dinner was at a famous fish fry place near Roby. The Besser agency shows 35 percent increase on paid basis to date over the same period last year, which was due to the record production in August preceding the annual outing.

the month being the biggest so far this year.

Old Line Leaders

John L. Fox, of Fond du Lac, Wis., general agent Old Line Life of America, has attained the post of honor as president of the company's Star Leaders' Club. During the last 15 years Mr. Fox has qualified 13 times for membership and has held the presidency six times. Others who qualified as star leaders are Ervin L. Jung, Milwaukee, vice-president; J. R. Roets, Milwaukee, second vice-president; N. Gust Hartberg, Marinette; J. P. Wolf, Elkhart Lake; Herman L. Schindler, Monroe; D. C. Wittenberg, Frank W. DuBose and Frank Motts, Milwaukee; W. A. Meyer, Oconto Falls, and J. A. Phillippi, Wausau. Winner of plaques in the App-A-Week Club for 52 weeks of consecutive production have also been announced by Old Line Life. Herman L. Schindler, of Monroe, leads the agents who qualified, having had the highest premium income in addition to the consecutive weekly production. He holds the silver trophy for the club year 1935-1936. Mr. Schindler has a record of 155 consecutive weeks of production.

Other agents qualifying for plaques are O. H. Nelson, Albert Lea, Minn.; E. H. Miles, Ft. Atkinson, Wis.; W. A. Kempf, Milwaukee; H. A. Quist, Green Bay, Wis., and R. L. Thomson, Janesville, Wis.

Employees Pass L. O. M. A. Exams

Seven members of the home office staff of the Canada Life were successful in completing the examinations of Course 2 of the Life Office Management Association this year, earning an associateship degree of that organization, and the award offered by the company to those receiving the diploma covering Courses 1 and 2. In all, 24 members of the staff passed one or more examinations this year.

PROVIDENT

LIFE AND ACCIDENT INSURANCE COMPANY

CHATTANOOGA, TENNESSEE

LIFE, ACCIDENT, HEALTH AND GROUP INSURANCE

Robert J. Maclellan
President

W. C. Cartinhour
Vice-Pres. and Sec.

Announcing the new BERKSHIRE LIFE JUVENILE INSURANCE

An assured systematic savings plus protection plan for children.

Berkshire Life new juvenile insurance will be issued on the lives of children from birth to age nine and written on the ordinary life, twenty payment life, twenty year endowment and endowment at ages 18 and 19 contract forms . . . containing the same liberal provisions accorded the regular adult policies. For a small additional premium the *Juvenile Policy* may also include the unique and desirable provision—the *Payor Clause*.

Here's a real opportunity for Berkshire Associates to cash in on one of the most popular forms of insurance protection which has ever been made available to the insurance buying public.

Ask Any Berkshire Agent

BERKSHIRE LIFE INSURANCE CO.

INCORPORATED 1851

FRED H. RHODES, President

HOME OFFICE
PITTSFIELD, MASS.

Attend Life Underwriters Convention—Des Moines—Week of
September 16, 1935.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

AGENCY'S AUGUST RECORD

Julian S. Myrick, manager Mutual Life of New York in New York City, reports that paid-for business for August was \$3,403,376 as compared with \$2,431,174 for 1934. For the year to date the total paid-for business amounted to \$23,016,952 as compared with \$17,388,155.

KATZMAN ASSISTANT MANAGER

H. L. Wofford, manager Prudential in New York City, has announced the appointment of Selig J. Katzman, C. L. U., as assistant manager. Mr. Katzman's work will be in the nature of sales consultant to the agency force and he will also cooperate in individual cases. Mr. Katzman is a consistently large personal producer and is one of the first members of the New York City C. L. U. group.

NEW EDITION OF HUEBNER'S BOOK

The D. Appleton-Century Company of New York has issued the third edition of Dr. S. S. Huebner's well known book, "Life Insurance." This is a standard work in compact and classified form and gives facts and information regarding life insurance and the ways in which it can be employed in the interest of personal, family and business welfare. The new edition represents an extensive revision

and enlargement of the book in the light of the many changes that have taken place in life insurance along different lines during the last 12 years, since the previous edition was published. The price is \$3.50 and it is sold by THE NATIONAL UNDERWRITER.

"ENLIGHTENER" AGAIN SOUNDS OFF

The "Life Insurance Enlightener," the new monthly magazine which is trying to get policyholders aroused about the fact that the life insurance business is not run the way the Enlightener's management thinks it should be, has come out with its second issue, to the mild surprise of insurance men who noticed it on the newsstands. "A Profession for Failures," L. J. Gordon, professor of economics at Dennison university, and P. G. Mason, Chicago insurance broker; "The Net Cost Fable," by Mort and E. A. Gilbert, authors of two articles on life insurance in the "Nation," and "Selling and Buying Securities in 1935 at 1929 Prices," by James P. Sullivan of Chicago, are the featured articles.

The second number of the "Enlightener" continues in the strain of acidulous railing at the institution of life insurance because it does not immediately (1) eliminate contracts with an investment feature and change to term insurance; and (2) give up industrial life insurance.

Interest Factor Is Dominant Question

(CONTINUED FROM PAGE 1)

to legal reserve basis, completed only recently by some of them, was done not without considerable disgruntlement on the part of certificate holders. The re-writing of the business necessarily was somewhat a "high-pressure" salesmanship matter, for there were hundreds of thousands of individuals for the field crews to interview. It was difficult to convey clearly to all society members the ultimate wisdom of the change, when in so many cases substantially greater premium was called for.

Are Now Considering Change

To come forth with a rate revision which on a lower interest basis would mean premium increases, is considered by many fraternal leaders a movement which might cause much dissatisfaction among members. The society heads are temporizing with circumstances, and for the most part postponing this action in hope that investment yield will take a turn upward in the near future. Most of them, however, are at this moment seriously considering a change of valuation basis.

Adopt Manager Proposal

Another matter of great gravity came to a head at the Pittsburgh meeting. For several years there has been a movement to broaden the scope of the N. F. C. headquarters office, placing it on a par with that of the Association of Life Insurance Presidents and the American Life Convention. The birth this year in the mind of an Oklahoma lawyer of an idea to tax fraternal, not only on premiums and for licenses to operate, as well as for solicitors' licenses, but retroactively, has brought a serious threat to existence of many societies. If judgments were rendered widespread under the retroactive theory, it is admitted, many societies would be ruined. They have operated for years tax-free due to the public welfare work which they carry on.

Spread of the tax threat to other states than Oklahoma and Arkansas, in which many suits were filed this year and a number of judgments rendered

against fraternal, is feared. Society leaders feel the need for a general manager and counsel on a full-time basis. A resolution introduced by Mrs. Bina West Miller, head of the Woman's Benefit Association, to authorize the executive committee to employ such a manager and to eliminate the office of executive secretary as now constituted, was adopted at Pittsburgh. Miss Frances Leahy is the executive secretary, having held the post efficiently for eight years. Her activities, however, were not so broad as the leaders feel now is essential.

The new executive committee took no action at Pittsburgh in line with the resolution, but will hold another meeting in Chicago early in October, when it appears likely the will of members will be carried out.

Substance of Resolution

Mrs. Miller's resolution sets forth the duties of the proposed manager as: To recommend to the societies constructive legislative action so as to present a united appeal; to prepare statistics, to handle publicity. The executive committee was instructed to conduct a survey designed to attain a maximum degree of service in the headquarters office. Special publicity carried on by Mrs. Elizabeth M. Mehan of Milwaukee; chairman of the publicity committee, was eliminated by the resolution, which was adopted by a very large majority vote. H. J. Green, president of the Homesteaders, Des Moines, was chairman of the resolutions committee.

A proposal to revise the constitution in two important details—one embodying the change above noted regarding a general manager, and the other relating to the method of representation and voting in the congress meetings—after debate was passed over until the next annual meeting. Considerable heat developed over this discussion. T. H. Cannon, head of the Catholic Order of Foresters, Chicago, and secretary-treasurer of the N. F. C., charging that the committee on constitution change did not meet prior to the Pittsburgh sessions nor prepare the constitution draft passed around at Pittsburgh, but this was done by A. W. Fulton, Chicago, general counsel Security Benefit Association, Topeka, Kan.

Opposition to the resolution and con-

stitution change argued that expense of the headquarters office would be increased, but the real underlying opposition was based on friendly feeling for Miss Leahy, Mrs. Mehan and Mr. Cannon, whose regime was being criticized. Proponents of the change held that the office formerly met the needs of congress societies but was no longer adequate. This view was summed up by Mrs. Frances Buell Olson, head of the Degree of Honor Protective, St. Paul, who said: "The usefulness of the congress depends on the progress that is made. It cannot stand still." Hill Montague, president Mutual Life, Richmond, Va., said: "The weakness of the fraternal system so far has been lack of the right kind of organization. We have gotten little legislative help down in Virginia. We need organization to get the fraternal behind movements for the common good. We now need at least one full-time man in the office."

The resolution stated in effect that such objects as uniting the societies in the mutual interest, for information, improvement, benefits and concerted action, were not being fully attained under the present agreement.

Hold Memorial Services

Memorial services were conducted the final day for a number of fraternal leaders who died during the year. Fred A. Service, general counsel Protected Home Circle, Sharon, Pa., was in charge of the services. Those honored were: W. N. Spear, vice-president Standard Life; D. W. Markham, treasurer, Independent Order of Foresters; S. E. Ferrell, director Woodmen of the World; F. K. Corey, secretary Homesteaders; Mrs. Joanna A. Royer, recorder, and Mrs. Cora McParlin, trustee, Ladies' Catholic Benevolent Association; W. E. Futch, former president Locomotive Engineers Mutual Life & Accident and former N. F. C. secretary; Dr. Orrin Thompson, treasurer Equitable Reserve; Dr. G. A. Carpenter, medical examiner A. O. U. W., North Dakota; M. D. Larson, attorney National Mutual Benefit; Dr. Herman Groth, medical examiner German Beneficial Union; W. H. Owen, executive committeeman Ben Hur Life; Muna E. Brosoit, trustee Catholic Order of Foresters; Prof. H. P. Rountree, supreme orator Royal League; Susie Bishop Holmes, former assistant secretary N. F. C.; B. W. Blanchard, editor "The Guardian," Los Angeles; W. F. Drummond, Fidelity Life; W. H. Thompson, past president National Union Assurance.

Eulogies Are Read

Eulogies were delivered by Haydn Arrowsmith, Homesteaders, on Mr. Corey; J. J. Rosbottom, for Mr. Markham; Dr. H. B. Kennedy, Woodmen of the World, Omaha, for Mr. Ferrell; Richard F. Allen, Standard Life, for Mr. Spear; G. A. Comstock, secretary Equitable Reserve, for Dr. Thompson; Bradley C. Marks, A. O. U. W., North Dakota, for Dr. Carpenter; Mrs. Frances Burns, assistant to the president, Maccabees, for Mrs. Carrie E. Torrey, one of the founders of the order, who died during the year; Kate Mahoney, president Ladies' Catholic Benevolent Association, for Mrs. Royer, and Mrs. Klingan, Women's Catholic Order of Foresters, for Mrs. McParlin.

Mrs. Talley in Report

Mrs. Dora Alexander Talley, president Woodmen Circle, reported as chairman of the committee on lodge activities, concluding that the lodge system of societies will stand in esteem and respect with members in proportion to the respect and support accorded it by society heads. Herman L. Ekern, president Lutheran Brotherhood, reported as chairman of the committee on distribution.

W. T. Eldridge, actuary Degree of Honor Protective, submitted two resolutions on revision of blanks, moving that the special committee of which he was chairman be authorized to attend the winter meeting of the commissioners in December. This was voted. He stated

the New York department is considering changes in the methods of operation of fraternal which will have effect through retaliatory laws in other states. The law now requires that certificates issued after Jan. 1, 1936, by fraternal operating in New York be approved by the department.

Libel Suit Filed by A. M. Best Co.

(CONTINUED FROM PAGE 3)

Tales," a sensational, lurid publication with the cover in red. The piece de resistance was signed by Steve Healey, a former reporter for the Chicago "Herald and Examiner" and later an attaché of Publisher Dunne, the two mingling among the commissioners and their party July 4 while they were in Chicago prior to taking the special train. Publisher Dunne was one of the passengers on the special. The circulation of this magazine with the chief article very subtly written served further to embitter the Best adherents and infuriated them.

The name of Best did not appear anywhere in the cartoon or caption used as the basis of the libel suit, but the attorneys for Best apparently will undertake to prove that it struck at none other than Best and is libelous per se.

The bill in the libel action describes the cartoon as one showing three principal characters and three minor characters in a group, all being placed on a sidewalk front of a "portentous" appearing building, labeled "Insurance Exchange!"

"On the left side of said picture is the figure of a gangster with the word 'rater' (meaning the plaintiff) on his cap, holding a revolver in his right hand, labeled 'ratings' and with money protruding from his right pocket. The revolver points to the vest of a prosperous appearing individual marked 'Insurance' with his hands stretched high in the air and with his pockets turned inside out. The gangster is shown taking money from the right pocket of the figure labeled 'Insurance.' To the right of the cartoon stands an indignant male figure bearing words across his coat, 'Insurance Index,' frantically beckoning with his left hand for three uniformed policemen in a group, identified by the words above their heads as 'supervising officials.' The character beckoning to the police officers is crying, as shown in larger type than appears elsewhere in the picture, 'Police! Stop This Holdup.'

Extracts from the Article

The bill goes on to recite that on the page opposite the cartoon appears the commencement of an article under the heading, "Best's Report?—Let's talk facts!"

Certain extracts from that article are reproduced in the bill, one of them being:

"It must be remembered that Alfred M. Best is a self-appointed authority as to his ratings, and it is only reasonable to believe that he is going to rate a company satisfactorily, procure its advertising and to sell his books as long as the insurance company pays the price. Best might be likened to a judge who accepted money from a man who was on trial before him."

Another extract is:

"To give unbiased and accurate reports, in our opinion, Best should stay out of reinsurance transactions and discontinue his practice of sending in advance, publication of proposed reviews to companies with certain ratings, and then having officers of those companies visit him and arrange for a change of the rating. Either his service should be accurate and free from corruption or he should not set himself up as an authority on the subject of rating."

The third extract reads:

"Many consider Best Insurance Reports a necessary evil and pay tribute in advertising and in the purchase of books at an exorbitant figure."

Attorneys in the libel action are

DeFrees, Buckingham, Jones & Hoffman.

In the copyright action the attorneys are Fisher, Clapp, Soans & Pond, specialists in copyright law.

Those attorneys state that after the Dunnes file an answer, Best's attorneys will offer a motion for a preliminary injunction to restrain the Dunnes from selling any more of their reports.

In the bill of particulars extracts from "Best's Life Report" are presented company by company alongside of extracts from "Dunne's International Insurance Report." For the most part these extracts consist of about half a dozen paragraphs of comment. In some cases, the bill indicates, the comments from Dunne's books are identical with those from Best's publication, while the attorneys will undoubtedly contend that other extracts from Dunne's book are obviously rewrites of Best's comment. Then for most companies the exhibit from Best's book showing the average premium and the lapse ratio for each year since 1930 is given and then there is set up the same exhibit in Dunne's book, which is identical. Lastly, there is shown Best's table of dividends to stockholders, beginning in 1920 and the same exhibit from Dunne's book, which is also identical.

Bad Blood Has Been Brewing

Bad blood has been brewing between the two camps for a long time. The "Insurance Index" in a crusading manner attacked Best symbolic rating and giving all companies an "A" when any rating was given. Companies that had been rated in the lower brackets or not at all by Best bought thousands of the Dunne rating slips and circulated them among agents and policyholders. One large company that had a "B" rating is accredited with buying 300,000 of slips concerning it. The Dunne rating slips were regarded as formidable weapons to use against Best in the field where agents of "A" companies in Best's used the rating to discredit those that did not have an "A" rating and tried to switch the business. The fact that R. G. Dunne's name in the credit field carried great prestige has been a material factor in popularizing the Dunne ratings.

Chicago Dailies

Two Chicago daily papers during the week came out very strongly in favor of the Alfred M. Best Company special insurance company ratings. Financial Editor R. P. Vanderpoel of the Chicago "American" devoted his entire column in one issue to a sharp attack on Commissioner Yetka of Minnesota in attempting to deprive Minnesota people of rating service. He declared that this action was high handed and entirely unwarranted. He stated that the Best Company reports and ratings were very useful and should be encouraged. Prior to that Insurance Editor A. L. Kirkpatrick of the Chicago "Journal of Commerce" pointed out that insurance buyers and agents are entitled to such inside information as the Best Company gives. He stated that Best's reports are carefully compiled and are correct in their conclusions.

BEST ON OFFENSIVE

Alfred M. Best this week sent out to newspapers a news release which is stated to be "the first of a series of articles the purpose of which is the correction of an intolerable condition existing in the life insurance business."

This is obviously a means employed by Mr. Best to strike back at those who have been attacking him for the last three or four years. It is an aggressive move and indicates an intention to fight.

"Numerous weak and insolvent life insurance companies operating under licenses issued by certain state insurance departments and taking advantage of the prestige and good name of the life insurance business," the release states, "have sold and are selling 'life insurance' by misrepresenting their financial condition. Although these companies sin-

NOTICE TO SUBSCRIBERS

Subscribers frequently complain of late that payments on their subscriptions to THE NATIONAL UNDERWRITER were not credited. On investigation it develops they sent money through the mail, which did not arrive. It is always unsafe to send currency through the mails, and it is sent solely at the risk of the subscriber. THE NATIONAL UNDERWRITER cannot accept responsibility for payments attempted by remitting currency through the mail.

gly or in the aggregate are of small importance in relation to the vast life insurance business as a whole, yet their condition jeopardizes the savings of hundreds of thousands of policyholders and hundreds of millions of life insurance purchased for the protection of their dependents.

"Throughout this entire series of articles we will constantly remind the reader of the vitally important fact that 96 percent of the life insurance in force in this country is in companies of unquestioned solvency and strength, located in all parts of the United States. This well-known condition and the inaction of certain insurance departments enable the irresponsible insurance departments and irresponsible companies to prey upon the uninformed public."

The release contends that numerous companies are daily betraying the confidence of their policyholders by means of financial statements conveying a false impression of strength and they are aided in this knowingly or otherwise by certain insurance commissioners. The condition during the past five years and today is worse than at any other time in history, he said. Not only is nothing corrective being done in a number of states but desperate efforts are being made to conceal the condition. "These efforts are due either to the mistaken belief that by some miracle the incompetence responsible for the condition will suddenly be transmuted into the acme of efficiency, and make an unsound company sound, or (and this is rapidly becoming a firm suspicion) the 'cover up' effort is for the purpose of keeping some men in office so long as there is anything left with which to pay salaries."

One school of thought, according to the Best release, advocates permitting the weak sisters to collapse quietly with as little publicity as possible.

The second school of thought believes that by silence the continuation of fraud upon the public would be assisted. "Wherever an industry failed to keep its own house clean," the release states, "the result was that eventually the house cleaning was done by others, with discredit to all, innocent and guilty alike."

Best states that full publicity should be given to bad conditions so that they may be corrected.

Best states that the officials of some life companies, the status of which is questioned, decided that if they would stay in the business they must muzzle anyone attempting to tell the truth about them, and persuaded certain insurance commissioners to join in this attempt.

Mr. Best states that in some states where the worst conditions prevail every conceivable effort has been made by the managements of doubtful or insolvent companies and by their home state departments to prevent comment on statements by withholding the statements themselves.

The release prints a list of companies that have failed since 1930. Best contends the failure of these companies was not due to the depression but to prior mismanagement. The depression served only to hasten the demise of mismanaged companies.

The next article, the release states,

will deal further with the situation now existing in the life insurance business and commence the "unfolding of the elaborate conspiracy to discredit and muzzle all honest comment respecting unsound and weak companies, including efforts to discredit or hamper those state insurance commissioners attempting to perform honestly and courageously the sworn duties of their office."

YETKA-BEST TIFF

ST. PAUL, MINN., Sept. 5.—Progress toward an amicable adjustment of the Yetka-Best controversy was evident today. Neither Mr. Yetka or A. M. Best would make a statement. The conference is to be resumed this evening. No court action filed here yet and indications are that none will be. Best has dispensed with his Farmer-Labor attorneys and is handling negotiations direct, assisted by Vice-President Ray Smith and Attorney John McElraevy.

ST. PAUL, Sept. 5.—Any legal action which the Alfred M. Best Co. may initiate to test the order of Commissioner Yetka of Minnesota prohibiting the use of insurance company ratings in the solicitation of business, will be welcomed by the commissioner, he said.

Commissioner Yetka said, however, he doubts whether any action would be started in federal court as has been rumored. Mr. Yetka and his staff are preparing their side of the case in the event of court action. There are reports in St. Paul that the Best company is planning to carry on a newspaper advertising campaign such as was conducted in Washington, D. C., at the time the rate book ban was established there by Commissioner Marshall.

Raymond Smith of Chicago, vice-president of the Best company, has been in St. Paul several days. He said court action probably would be started this week. He was joined here by Mr. Best.

Although Attorney General Peterson, in an opinion given to the state commerce commission, held that the original Yetka order should be modified, the commissioner has indicated that he will not change his order, content to let the court decide this point.

Mr. Smith said the Best company would welcome a court review and if this is done the Best company will present evidence on the financial condition of many insurance companies.

Mr. Yetka is nettled at what he considers undue political interference, citing the employment by the Best company of two prominent Farmer-Labor leaders as their attorneys in the appeal to the state commerce commission.

Serious Break in the U. S. Bond Market Is Not Feared

(CONTINUED FROM PAGE 6)

and bearing 1½ percent interest, met with a rather cool reception, according to dealers. The tendency among dealers and other buyers has been to hold off and see what is what. Apathy was particularly marked toward the long-term bonds.

It is not believed that last week's undersubscription of a \$100,000,000 government guaranteed issue by nearly \$15,000,000 had any effect on the interest set on the new obligations, although the poor reception of last week's issue is having an indirect effect in making buyers wary of rushing in with commitments on the new issues. It is believed that before the expiration of the subscription period both the long- and short-term bonds will have been oversubscribed by a comfortable margin.

Raymond C. Gauch, who is associated with the Mutual Benefit Life in Columbus, is a candidate for member of the Columbus board of education. He is a director of the Life Underwriters Association of Columbus. Joseph W. Ray of the Travelers is also a candidate.

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NEWS OF THE FRATERNALS

Urges Adequate Rate Basis

Illinois Department Issues Report on the Examination of Italo-American National Union

The Illinois department has issued its report on the examination of the Italo-American National Union of Chicago, a fraternal. The report says that the society has indicated a plan is being formulated whereby class A member certificates will be transferred to an adequate rate basis. Since the close of the examination the rate of compensation paid members of the board, medical examiner and general counsel have been reduced. The department states that the society should discontinue transacting business in states where it is not properly authorized to do so. There have been transfers from the mortuary to the expense fund and these will be discontinued, says the report, as they constitute a violation of the law. The assets are \$180,569 and the liabilities \$20,291. The solvency ratio is 48.6 percent. The ratio is the result of the inadequate rates paid by class A members who carry the bulk of the insurance. The report says that it clearly indicates remedial steps must be taken in order to meet the promised benefit. The certificate reserves amount to \$1,144,412. It has \$4,865,060 insurance in force.

Celebrate Anniversary

The 29th anniversary of the San Antonio agency of the Pacific Mutual Life and the first anniversary of D. J. Farrell as general agent was observed with a testimonial dinner, honoring Mr. Farrell.

Goes on Higher Reserve Basis

Chicago Fraternal Life Issues New Rates on the American Experience Table

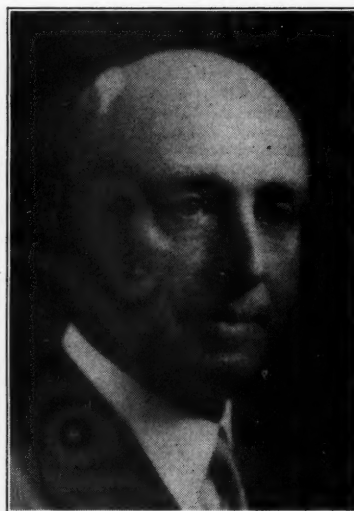
The Chicago Fraternal Life is celebrating its 40th anniversary and has gone on the American 3½ percent basis. Heretofore it has been on the 4 percent. It is endeavoring to secure 500 new members before Jan. 1 next. Its new rates are as follows:

Age	Ord. Life	20 Pay Life	10 Yr. Term	20 Yr. Term
16.....	\$15.19	\$24.34	\$ 9.21	\$ 9.50
17.....	15.49	24.71	9.26	9.58
18.....	15.81	25.08	9.32	9.66
19.....	16.14	25.47	9.38	9.75
20.....	16.48	25.86	9.45	9.85
21.....	16.85	26.29	9.52	9.95
22.....	17.24	26.73	9.59	10.07
23.....	17.64	27.19	9.67	10.19
24.....	18.05	27.66	9.76	10.32
25.....	18.49	28.14	9.86	10.47
26.....	18.96	28.66	9.96	10.63
27.....	19.45	29.19	10.07	10.81
28.....	19.96	29.73	10.19	11.00
29.....	20.51	30.31	10.32	11.22
30.....	21.08	30.89	10.46	11.46
31.....	21.68	31.52	10.62	11.73
32.....	22.32	32.16	10.79	12.04
33.....	22.99	32.84	10.98	12.38
34.....	23.59	33.54	11.18	12.76
35.....	24.46	34.27	11.42	13.19
36.....	25.25	35.04	11.67	13.66
37.....	26.09	35.85	11.95	14.20
38.....	26.99	36.68	12.27	14.80
39.....	27.93	37.56	12.51	15.46
40.....	28.94	38.48	13.03	16.20
41.....	30.00	39.46	13.48	17.03
42.....	31.14	40.48	14.00	17.95
43.....	32.35	41.56	14.59	18.98
44.....	33.64	42.71	15.26	20.11
45.....	35.00	43.92	16.01	21.37
46.....	36.46	45.19	16.80	22.75
47.....	38.01	46.54	17.80	24.28
48.....	39.67	47.99	18.88	25.96
49.....	41.45	49.51	20.07	27.81
50.....	43.33	51.13	21.41	29.83
51.....	45.33	52.86	22.86	32.03
52.....	47.47	54.69	24.48	34.43
53.....	49.76	56.65	26.28	36.80
54.....	52.20	58.74	28.27	39.85
55.....	54.80	60.99	30.46	42.88
56.....	57.59	63.39	32.88	46.14
57.....	60.55	65.96	35.55	49.63
58.....	63.74	68.73	38.48	53.37
59.....	67.14	71.72	41.71	57.38
60.....	70.78	74.92	45.26	61.67

Modern Woodmen Have Field Day

The annual field day of the Modern Woodmen of America was held Aug. 25 in Olympic Park, Irvington, N. J., and Columbia. Dr. S. C. A. Rubey, New Jersey state manager, was host.

Named Section Head



C. L. BIGGS
Recorder, Macabees, Detroit

C. L. Biggs, recorder of the Macabees of Detroit, was elected president of the Secretaries Section of the National Fraternal Congress at the annual meeting in Pittsburgh. He is one of the most active workers in the organization, also having been elected to the Congress executive committee.

Honored by N. F. C.



MRS. DORA ALEXANDER TALLEY
President Woodmen Circle, Omaha

Mrs. Dora Alexander Talley, president of the Woodmen Circle of Omaha, was elected president of the Presidents' Section of the National Fraternal Congress at the annual meeting in Pittsburgh. This is considered not only a great honor, but very probably places Mrs. Talley in line for presidency of the N. F. C. two years hence. As a rule the progression is to vice-president of the congress, and then to president. Women have taken an important part in the organization, three having headed the congress in the last 10 years. These are: Bina West Miller, president Woman's Benefit Association, Port Huron, Mich., 1925-26; Frances Buell Olson, president Degree of Honor Protective Association, St. Paul, 1929-30, and the late Mary E. LaRocca, president Woodmen Circle, Omaha, 1932-33.

Vignettes of N. F. C. Meet in Pittsburgh Are Given

Dr. W. K. Harrison, medical director of the Royal League, one of the grand old men of the fraternal life insurance system in this country and a patriarch of the N. F. C., was specially honored by the chairman at the Pittsburgh annual meeting, his honorable service record of many years being noted.

Ritualistic work by children and adults was one of the brilliant highlights of the meeting. The Royal Neighbors of Rock Island, Ill., conducted a juvenile ritual the second evening, 18 head officers attending, headed by Mrs. Mary E. Arnholt, president.

Another very interesting series of rituals was conducted by the Slovak societies, which make up about 20 percent of the membership of the N. F. C. The rituals, in the form of a pageant, were conducted in native dress, with old country folk songs and created much interest among patrons of the William Penn Hotel, headquarters for the meeting. Francis Tapitch, general counsel United Societies of the Greek Catholic Religion of U. S. A., and vice-president Pennsylvania Fraternal congress, was entertainment chairman. The Federation of Slovak Fraternal Societies held a luncheon the first day, Retiring President J. C. Karel of the congress and other leaders attending.

Insurance Commissioner Owen B. Hunt of Pennsylvania flew to Pittsburgh the second day from important conference. (CONTINUED ON LAST PAGE)

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SALES IDEAS AND SUGGESTIONS

Engelsman Explains Technique of Not Carrying Rate Book

NEW YORK, Sept. 5.—"Avoid carrying a rate book during an interview," is the advice of Ralph G. Engelsman, widely known life insurance educator and author, who is general agent of the Penn Mutual Life in New York City. Mr. Engelsman has not carried a rate book for 15 years and most of his agents follow the same practice.

Keeping the rate book out of the interview is not just an amazing bit of dexterity by which the super-salesman demonstrates his ability to control any and all situations with one hand tied behind him. The rate book is a hindrance to any agent during an interview, says Mr. Engelsman. It hampers the agent of moderate abilities even more than it does the big producer, he says.

Getting Along Without It

Conceding that there might be exceptional cases where an agent would be more handicapped by not having his rate book with him than by having it, he said that once a man has schooled himself to getting along without it and seen the advantages of doing so, the interview will be rare indeed where he will consider the use of the book advisable.

"The big problem of the agent is not to convince the prospect that this policy is the cheapest one he can buy," Mr. Engelsman pointed out. "It is to convince him that he has certain needs and that life insurance is the best way to take care of those needs. If he has confidence in you he will take your word for it that the type of contract and the price are o.k. It's just the same as with a doctor: if you have confidence in him you don't go trying to find out where he went to medical school and what the Latin words on his prescriptions mean. If you don't have confidence in him you won't consult him, and it is the same with a life insurance agent."

Always a Dollar Cheaper

"When you bring in the rate book, you take your prospect's mind off the big important thing—his aims and problems, and get him started thinking about costs, cash values, and dividends. How can anyone say definitely exactly what dividends are going to be paid in the future? It's just a guess. Once when I was in competition with a company whose dividends at that time made a better net cost showing than ours, I said, 'Wait a minute. Our figures are a dollar a thousand cheaper than theirs.' When he asked how I figured it out, I said, 'I don't, but all these estimates are just a guess and if the best guess is going to win, I'm going to make a good one.' He saw the point. And anyway, whatever company the prospect buys from, he's got to accept whatever dividends it may pay in the future. There's nothing he can do about it, once he's committed."

"The agent's job is to sell ideas, not costs. The man who sells only on cost never realizes the importance of selling ideas. Of course, many agents of companies with excellent net cost showings sell on the basis of ideas, but they don't talk about costs. If you sell on a cost basis, you focus the prospect's mind on how little money he can spend instead of on spending enough to cover his needs. I could cite you case after case where I have come along on the heels of a salesman who sold on cost and sold his policyholder several times what he bought on that basis. Often it happens that the buyer is fully aware that on the basis of present dividend scales he

is paying more to buy from me but he knows that the difference isn't much and he considers it worth that to get the type of service that I give him."

"And the best way to convince him that you will render him better service than anyone else is not to talk about the service you are going to give but actually to give it. He will realize that here is a life insurance man fully capable of handling his problems. Such matters as type of policy, cost, and other items he will leave up to your judgment."

"When I say that carrying a rate book hinders the average agent even more than it does the big producer, I mean that the big producer is more likely to be able to fight the question through on a cost basis and he is more likely to have the prestige and the air of authority that will impress the prospect with his statements."

"When the ordinary producer runs into the cost argument, it usually isn't the prospect's real reason at all. It means that the prospect hasn't been sufficiently impressed with the agent's competence to feel like trusting his judgment. If he didn't have the cost argument, he'd think

of another one. What the agent needs to do, obviously, is to steer the conversation away from costs and concentrate on the prospect's needs and aims and how life insurance can best fulfill them. It is much easier to sidestep the cost question if you haven't a rate book."

"Sometimes when I know the age of the man I'm calling on, I get the rate for his age and write it on a slip of paper before leaving my office, but usually I just quote him an approximate figure for his age, making it somewhat higher than the actual rate will probably be, for then he feels as if he were saving money when he learns the exact figure. If he is insistent on the actual figure, I usually say, 'We will satisfy you as to cost if you can satisfy us as to your health.' If I can sell him the examination, I will have an issued policy to talk about and my competitor will still be talking about figures."

"Not having a rate book helps a lot in getting prepayments. At the right moment you call up your office and get the prospect's rate 'officially' and it comes very naturally to tell him, 'You can make out the check for that amount.' Very often he will do it."

The unsettled conditions in dividends and net cost positions that have characterized the last few years make for healthier selling conditions, Mr. Engelsman believes, because they have tended to take the emphasis away from selling on the basis of costs and putting it on the ground of meeting the assured's needs and desires through life insurance.

BUSINESS STIMULATORS

ILLUSTRATES VALUE OF INCOME

James A. Preston, sales manager of the Columbus Mutual Life, uses a motivation story to illustrate the value of monthly income insurance and the sentimental glow about it. He tells about a widow who took her little girl to the bank when the latter was four years old. Her father died but had left insurance on the monthly payment plan, the check arriving from the life insurance company at the beginning of every month. The mother would go to the bank with the check to deposit it. She would take the little girl, hold her up to the receiving teller's window, have the little girl say to the teller, "Here is our check from our daddy." As time went on and the little girl was able to go to the bank alone, she would reach up to the window and repeat the same thing, handing the teller the deposit slip and the endorsed check. Thus the child kept in mind her father all these years and in her mind there was a check coming direct from him. Mr. Preston said the story should be told by the agent as one of his own experiences, saying that he visited the bank the other day, noticed this little girl at the window and asked the cashier about it. Then the cashier told him the story.

EFFECTIVE ICE-BREAKER

As an ice-breaker in broaching the subject of life insurance to either close friends or total strangers—two groups with whom many life underwriters have difficulty getting started—P. A. Peyser, production manager, Lloyd Patterson agency, Massachusetts Mutual Life in New York City, uses a business card which opens out to double its folded size. On the inside is the following:

"If the death of the insured shall occur prior to the end of the twentieth policy year the company will pay to the beneficiary or beneficiaries a monthly income of one percent of the sum insured commencing as of the date of death of the insured and continuing until the end of the twentieth policy year hereunder when the company shall

then pay to the beneficiary herein the sum insured, unless otherwise provided herein."

Mr. Peyser passes this to the friend (or stranger) and remarks, "Do your policies contain that clause? If they don't perhaps I can get it attached to them for you."

Whether or not this can be done depends of course on whether the insured's policies are with companies which will attach family income riders to their ordinary life policies, but in any event it stimulates the prospect's interest and paves the way for the sale of the family income idea.

AVOIDS RED NECKTIES

Thomas E. Berry, Columbus Mutual Life agent at Hillsboro, O., a very conscientious salesman, studies his method very carefully. At a recent company convention Mr. Berry gave it as his opinion that it is a mistake especially for a life insurance man in rural and small town territory to wear a red necktie, especially if it is rather flashy and outstanding in its carmine. He said that a few weeks ago he was presented with a red necktie by a member of his family and wore it. In the course of his early interviews that day he found that people were more or less antagonistic and aggravated. He attributed it to his red necktie, returned home, put on a more somber one and the attitude toward him changed.

SALE IN AGENT'S MIND

Life insurance salesmen realize the fact more and more that the sale is made really in the mind of the agent rather than the prospect. That is, the agent must sincerely, conscientiously and enthusiastically believe in what he is presenting. If he does not he will not make much progress. This was illustrated at the forum during the Columbus Mutual Life convention that was conducted by Ralph G. Engelsman, general agent Penn Mutual Life at New York City. One or two agents had in mind a man in their respective com-

C.L.U. NEWS

COURSE FOR NEWARK

Plans are being made for a C. L. U. study course under the joint sponsorship of the Life Underwriters Association of Northern New Jersey and the Seth Boyden School of Business in Newark. A course was given last year under the sponsorship and proved very successful.

RECORD IS SET

A record unique in C. L. U. annals has been hung up by four members of the Recht & Kutcher agency of the Northwestern Mutual Life in New York City. Halsey Josephson, David Fluegelman, A. V. Gartner, and Lawrence Blades each took the complete set of five C. L. U. examinations early this summer and each succeeded in passing all of them.

C. Lamont Post, retiring president of the New York City C. L. U. chapter, wrote last week to Supervisor Harry Krueger of the Recht & Kutcher agency, extending congratulations on this remarkable record, and said that "very few attempt all five examinations in one group and when they do less than half are usually successful." There were no unsuccessful candidates from the agency.

The record of the four candidates for the C. L. U. designation was further enhanced by Mr. Krueger's success in passing the C. L. U. management examination. He is one of the two men in New York City holding the management designation. Mr. Krueger is the new secretary of the local C. L. U. chapter.

The Northwestern Mutual succeeded in maintaining its lead in the number of C. L. U. men countrywide by adding 20 new C. L. U.'s as a result of the recent examinations.

munities who evidently was well off, had no dependents to speak of, possessed an excellent income, and was not interested in any philanthropic or educational institution. They asked Mr. Engelsman how he would approach such a man on life insurance.

Mr. Engelsman said he did not regard such people as prospects. They had worked out their life plan to their satisfaction without the aid of life insurance. These men were past 50 years of age. They were fast completing their life's objects. He said that he could not approach these men conscientiously on any life insurance project. They might be sold an annuity by pointing out the fact that their taxes would be lessened in this way rather than to be taxed in the higher brackets in the regular channels.

One agent stated that he thought that he could go to one of these men and point out to him the fact that he had been a big factor in the community, that his value to it was acknowledged, he had been a good citizen, had amassed a fortune, had conserved it and proved his intelligence and good sense. The agent said that the man should be persuaded to allow part of his fortune to carry on in some useful way the work he had started. He would suggest that life insurance be purchased to create some fund or establish some endowment in an institution. Mr. Engelsman said that undoubtedly this agent could go to the wealthy man and conscientiously present the proposal because he believed in it himself. Mr. Engelsman said that he personally could not do it and would not succeed because he did not see that these men could use life insurance successfully in any way.

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Tax Burden Will Cause Hardship

(CONTINUED FROM PAGE 1)

The estimated receipts for old age benefit purposes from employees and employers mount rapidly from \$278,800,000 in 1937 to \$2,295,300,000 in 1980. The reserve necessary for 1948 will be \$10,000,000,000; by 1954, \$20,000,000,000; by 1960, \$29,000,000,000; by 1970, \$41,000,000,000 and by 1980, \$47,000,000,000, the plan being based on 3 percent compounded annually.

Scope of Old Age Scheme

Colonel Robbins said that the estimated receipts under the tax on employers for unemployment compensation are expected to aggregate \$247,000,000 in 1936. The particular interest of insurance is the matter of taxation, but the benefits payable under the act are also of interest. While the act does make certain outright grants to states to encourage the adoption of old age pension laws with a maximum of liability by the federal government not to exceed \$15 per individual, the payment by the federal government direct to the individual of old age benefits does not become effective until Jan. 1, 1942.

Limit of Pension Plan

In order to entitle himself to such benefit the person must be qualified by being at least 65 years of age, receive not less than \$2,000 as wages with respect to employment after Dec. 31, 1936, and before attaining age 65, and such wages must have been paid with respect to employment on some five days after Dec. 1, 1936, and before attainment of age 65, each day being in a different calendar year. A definite scale of compensation is set forth in the act with a provision that minimum payments to qualified individuals shall be \$10 and the maximum \$85 a month.

California, Massachusetts, New Hampshire, New York, Utah, Washington, Wisconsin and the District of Columbia now have state unemployment compensation laws. The federal act undoubtedly is intended to force the states to enact such laws.

Effect on Insurance

Colonel Robbins stated that it will be difficult to predict what effect the social security act will have on insurance. It may have a special effect on industrial and group insurance. The act, he said, discourages thrift and frugality. He declared that this nation has been built on the basis of saving and industry. The act encourages people to spend and not to save. He characterized it as complex, rather ambiguous and tremendously expensive. People he said are faced with increasing federal taxes and they must look forward to a greater tax ultimately than English people have paid.

E. B. Thurman's Address

E. B. Thurman of Chicago, general agent New England Mutual Life, gave an address stating that this year he had made addresses before historical anniversaries, one being a hundredth, one the 90th, one the 75th and the National Guardian, the 25th. He said that selling life insurance is a process plus a personality. The process has been well tested and tried. However, personality he described as being a variable and unknown quantity because it is tied up with the human elements. The characteristics of persons, he said, are sources of power. They are unlimited and can be developed. He said that people should recognize these powers, develop and harness them.

Mr. Thurman said the accumulation of property does not solve the problem of people. Every investment plan, he declared, has to be revamped every four and one-half or five years. Power, he said, does not live in property. It has to be transmuted into a usable form of income to be power. He said that the only way to get an income on a guar-

anteed basis is through the medium of life insurance.

Mr. Thurman declared that human nature in the United States will rebel against what he called the anaesthesia of state indulgence. People will not be content to simply receive a dole from the state. They will demand to be on a different basis. Life insurance men, he said, sell ideas to people who have different human characteristics. They use life insurance as a permanent providing fund.

Richard Boissard's Talk

Vice-president Richard Boissard, in telling about the National Guardian, said that it could pay dividends on the same scale for three and one-third years more with no further contribution from mortality savings. Some companies, he said, have been paying more dividends than they were earning. Taken as a percentage basis, he referred to the 18 participating companies in Wisconsin, putting the surplus percentage in 1929 as 107.6; in 1931 as 96; in 1932, 85.2; in 1932, 85.2; in 1933, 80.3; in 1934, 73.6. This decline was due, he said, to loss of income through investments and to terrific battering to which companies had been subjected. He said that the National Guardian percentage at the end of last year was 107.1. Although dividends have been decreased he said they are not down to where earnings will take care of surplus.

Effect of Federal Taxes

The National Guardian Life, he said, writes 2.6 percent of all the business in Wisconsin. Up to Aug. 1, he said, the company had more new paid business than it had all last year in Minnesota. At the end of September he thinks this can be said to be the case in Wisconsin.

He discussed the effect of the increased federal taxes and the social security law on life insurance. He said, for instance, there was a 50 cent margin of profit per \$1,000. To take care of the unemployment fund it will take 8 cents. There will be a 3-cent increase per thousand dollars in federal taxes, which will make 11 cents out of the 50 cents profit.

Average Expense Ratio

Mr. Boissard referred to a survey of some of the largest companies in the east, showing their expense ratio to net premiums, the lowest being 20 percent. He said the survey brought out the fact that companies got the greatest returns for their money when they had between \$400,000,000 and \$800,000,000 of insurance in force. Last year he said the National Guardian's percentage was 24.56 percent. If the average policy had been 1½ percent more it would have reached 20 percent. During its 25 years the National Guardian realized 4.56 percent on its new investments. Last year the average yield was 4 percent on new investments. Up to date this year its yield has been 3.8 percent. He said that companies cannot expect any savings from interest due to the new investments which carry a lower rate. A lower interest yield, he said, makes an important investment problem for every company. The National Guardian Life, he said, is pleased to write various forms of insurance where large sums of money do not come in because they immediately add to investment complications.

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He announced that it intended to revise its annuity rates about Oct. 1.

Secretary W. J. Wandrey presided and said that the chief characteristic of the National Guardian was its human regard for policyholders and all connected with it. He said that there has always been an appeal to the heart. Policyholders, he declared, are pleased to receive letters on their birthday from President Boissard, which he sends out and signs personally.

Vignettes from National Fraternal Congress Meet

(CONTINUED FROM PAGE 22)

ferences to give an address which stirred the members, and then returned to his official activities by air in the afternoon.

* * *

U. S. Senator James J. Davis of Pennsylvania, one of the main speakers, and President Karel are friends and brother fraternalists, of long standing. They occupied adjoining rooms. Senator Davis was held in Washington until the last minute by affairs incidental to the adjournment of Congress, but hurried to make a train connection so he would not disappoint Judge Karel.

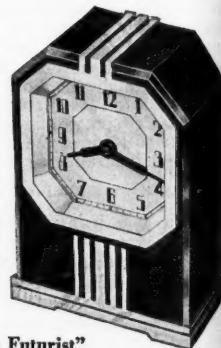
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The Protected Home Circle of Sharon, Pa., held a banquet celebrating the elevation of President S. H. Hadley to vice-president of the congress.

Predicts Sharp Increase

Owing to the vast amount of idle capital awaiting a time when it is thought investment will be safe, it is very likely that the business rush upward will be as fast as it was formerly downward, said Dr. S. S. Huebner, dean of the American College of Life Underwriters, in a talk in Portland, Ore. He urged the purchase of annuities as a protection against old age.

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